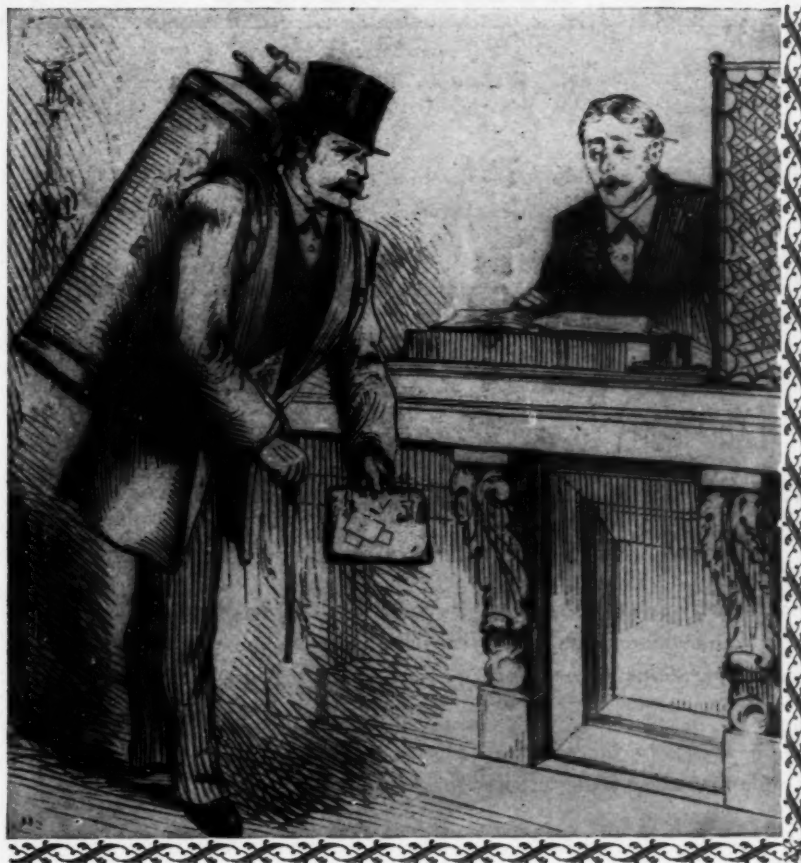


The NATIONAL UNDERWRITER



This old boy is burned up over the fact that hotels in 1872 didn't bother with fire prevention devices. He informs the clerk, "I am not a peddler, this is my personal fire extinguisher. I wouldn't stay in any hotel without it!"

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Since 1853, we've been keenly interested in loss prevention. The development and popular use of protection devices is encouraging. Yet none of us can afford to be complacent in view of last year's terrific losses. It is the responsibility of all insurance people to fight this wastefulness.

Every Type of Property Insurance for Industry and the Home.

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THURSDAY, JANUARY 29, 1948

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BRIDGEPORT
BUFFALO
CHARLESTON, W.V.
CHARLOTTE
CHICAGO
CINCINNATI
CLEVELAND
COLUMBIA
COLUMBUS
DALLAS
DENVER
DES MOINES
DETROIT
FARGO
FRESNO
GRAND RAPIDS
HARRISBURG
HARTFORD
HELENA
HOUGHTON
HOUSTON
INDIANAPOLIS

In 1863 —eighty-five years ago—Fireman's Fund Insurance Company began operations in San Francisco.

in 1867 —eighty-one years ago—the company entered the field of marine insurance.

in 1872 —seventy-six years ago—its Western Department was launched in Chicago.

in 1885 —sixty-three years ago—its Eastern Department was organized in Boston.

in 1895 —fifty-three years ago—its Southern Department was established in Atlanta. In the same year its Atlantic Marine Department began operations in New York.

in 1906 —forty-two years ago—Fireman's Fund wrote its first automobile insurance policy. It was the first to write this line on a nationwide scale.

in 1930 —eighteen years ago—the launching of Fireman's Fund Indemnity Company completed a group of five companies having a reputation for strength, permanence and stability.

today, Fireman's Fund Group—with a long record of successful operations—offers producers multiple-line facilities plus the services of experienced insurance men whose knowledge of local conditions can be of cash register value to agent and broker. The companies of Fireman's Fund Group maintains service offices in sixty-nine cities throughout the United States and Canada.

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Fireman's Fund Insurance Company
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N.A.I.A. Steering Group Reiterates Commission Stand

**Says Agents Can Be
Expected to Continue
Old Schedule**

NEW YORK — Meeting here last week, the executive committee of the National Assn. of Insurance Agents reviewed agent-company relationship as to producers' commissions, and released the following statement:

"The problem of agency contracts and commissions is not the problem of any particular group or class of agents in this country. The action taken, and contemplated by certain fire insurance companies is already affecting several thousand of our agency members and could well extend to every agency member of the National Association."

Reiterates 16 Year Resolution

"Sixteen years ago the National association declared: 'It is the sense of this meeting that the National association request its members to withhold acceptance' of commission cuts on any class of insurance until conferences have been held by the proper committee of the National association with a like company committee, and the former is convinced that such reduction is reasonable and proper."

"In October, 1947, at the Atlantic City convention, and again at Miami Beach in December, the association protested the action of fire companies which are engaged in a concerted movement to reduce agents' commissions. The action of these fire companies in summarily changing agency agreements without the consent of their agents and without any attempt to negotiate such changes is indefensible. It has caused a nation-wide disturbance in agency ranks raising the question of every agency contract, being in jeopardy."

"Today a regrettable breach in company-agency relationship is widening, which manifestly bodes ill for the general welfare of the business. If this relationship is in any wise vested with a partnership interest as has so often been declared, the action now being attempted by these companies—one of the parties to the contract—is not a public interest movement."

"Therefore, agents can reasonably be expected to continue to remit company balances under the terms and conditions of their presently existing agency agreements until such time as can be established the legality or the illegality of such unilateral company action."

John C. Stott of Norwich, N. Y., is chairman of the executive committee.

F. D. R., Jr., Joins Agency

Franklin D. Roosevelt, Jr., son of the former president, has joined the Boston brokerage firm of Roosevelt & Sargent, of which his brother, James Roosevelt, is a partner.

Besterman to Indiana

John W. Besterman, special agent Employers Fire, who has been traveling for the company for several years out of Chicago, has returned to Indiana with headquarters at Indianapolis.

WESTERN ADJUSTMENT REPORTS

1947 Hits Record High With 486,610 Cases—Up 100,000

A substantial increase in loss adjustments for all fire and allied lines was shown in the annual report of Western Adjustment for 1947. During the year, the organization adjusted 486,610 claims as compared with 373,269 for 1946.

At the annual stockholders' meeting on Monday, five directors were reelected for three years, they being: E. H. Forkel, National Fire; C. A. Dossall, St. Paul F. & M.; C. W. Ohlsen, Sun; F. E. Potter, Home, and E. D. Lawson, Fireman's Fund.

All officers were reelected at the directors' meeting. They are: President, J. C. Harding, Springfield F. & M.; vice-president, E. A. Henne, America Fire; secretary-treasurer, R. A. Sellery, Western Adjustment; assistant secretary-treasurer, J. H. Burlingame, Jr., and B. M. Butler, Western Adjustment. R. V. Cherry, Gale Tilman, R. M. Ryan, H. W. Rutledge, and R. M. Beatty were reelected assistant secretaries.

Mr. Sellery is general manager of Western Adjustment and Messrs. Burlingame and Butler are assistant general managers.

Increases by Lines

The 1947 losses show an increase of more than 100,000 from 1946 and are shown by lines below:

	1946	1947
Fire	117,744	132,355
Auto	98,597	105,870
Windstorm	128,174	212,697
Inland Marine	27,894	33,633
Aircraft	860	2,055
Totals	373,269	486,610

The annual report to stockholders notes that at the beginning of the year windstorm losses were low, auto and inland marine in reasonable volume and fire presumably near the top. The inventory of open losses on Jan. 1, 1947, was 39,257 and considered well within the capacity of the staff, which had been considerably augmented during 1946.

The early estimates proved of little value as fire, auto and marine losses increased steadily in size and number, reaching an all-time high in October.

86% Less Than \$1,000

While the unusual volume of windstorm losses kept the number of claims of less than \$1,000 at about 86% of the total, larger losses, \$5,000 to \$50,000 and above were more numerous than ever before. Losses of from \$5,000 to \$50,000 produced insurance claims in excess of \$28,800,000, and in addition there were 214 losses of more than \$50,000, which established claims of \$33,780,500.

Windstorm losses started Jan. 29 at Joplin and St. Louis, Mo., and were succeeded by a blizzard March 24-25 and a storm April 5-7. Ten states were involved in those storms and developed more than 100,000 losses. The widespread nature of the storms, coupled with the telephone strike made it impossible to shift men to advantage, and the organization went through a trying period.

There were 19 successive storms in May through July covering Iowa, Kansas, Nebraska and the Dakotas, and many were followed by floods. The Florida hurricane in September spent itself through Kentucky, Indiana and Ohio, producing 15,000 losses. The result of these storms was a record in extended coverage losses exceeding the highest previous year by more than 67,000 claims.

Western Adjustment, following the Florida storm, sent 23 experienced men to Florida and the Gulf states, and the

last of them will not return to the head office until about Feb. 1.

Fire losses increased both as to frequency and amount. Retail and department stores, and mercantile and office buildings led in the number of large loss fires with 51, for a total of \$4,969,000. Metal workers, which for five consecutive years had been the biggest troublemakers, in 1947 had 35 bad fires aggregating \$4,468,800.

However, elevators and cereal products mills, with only 19 fires, produced a loss of \$8,364,900 and one of these, an elevator, was the largest single loss of the year, \$2,741,000.

Other large losses: Lumber and building material factories, 15 losses, \$1,881,300. Woodworkers, furniture plants and similar risks, 12 losses, \$1,802,300. Mining, clay products and petroleum industries, 7 losses, \$1,556,000.

Also; hotels, clubs, theatres and other amusement enterprises, 16 losses, \$3,125,700. Packing plants and food processors, 8 losses, \$990,600. Chemical and plastic plants, 5 losses, \$652,500. Automobile and auto supply dealers, 2 losses, \$814,400. Clothing and textile manufacturers, 8 losses, \$1,147,000.

Also, paper industry and printing plants, 3 losses, \$551,500. Brewing and distilling industry had only one large loss amounting to \$476,800. One tobacco warehouse burned at a cost of \$74,300. There was one glass plant damaged to the extent of \$62,600 and there were two rubber processing fires costing \$210,600.

Railroads and public utilities had nine losses at a total of \$1,141,400; laundries and dry cleaning plants had five losses, totaling \$370,800, while churches, schools and public buildings had 14 losses for a cost of \$1,120,100.

Business interruption and other income coverages (included above) had comparable experience. There were about the same number of U. and O. losses, but the average was far beyond former years. The total was 325 U. and O. losses, with 118 of them costing more than \$5,000 and a resulting insurance claim of \$7,102,352, and a property loss of \$14,639,375. In 42 of the larger losses, the business interruption claim was in excess of the property damage loss, and the same applied in 27 losses under \$5,000.

Average Loss \$21,853

Losses of \$5,000 or more accounted for 96.39% of all U. and O. claims and the average of business interruption losses, \$21,853, was more than double the experience of the war years.

Only 23 rent losses out of more than 300 were over \$1,000, for a total of \$70,682.

Coinurance penalties in U. and O. claims were considerably higher than in wartime.

Inflation has played havoc with adjusting, the report observes. Until prices level off and values reach a firm basis, adjustments will continue to be complicated. Salvage experts face difficult problems and must use rare judgment to anticipate market conditions.

During 1947 there remained effects of wartime shortages and equipment replacements were difficult. Many basic industries are still unable to meet the demand created by wartime "wear-out." Uneven supply problems upset many operating schedules.

Automobile losses continued to increase during the year.

While used car inventories have in-

(CONTINUED ON PAGE 18)

Appraisal Issue Squarely Joined in Mich. Suit

**Masonic Temple Case
at Grand Rapids
Involves \$339,000**

GRAND RAPIDS — The board of trustees of Masonic Temple Assn. at a meeting Jan. 24, instructed its attorneys, Searl, White & Brooks, to commence suit at once against Home, Royal, Globe & Republic, Michigan Fire & Marine, Security Fire, Firemen's, Du-buque Fire & Marine, New York Fire, American Equitable, and Fire Association, the 10 insurers which have failed to make settlement of the fire loss to the Masonic Temple building, which occurred May 30, 1947. Suits were commenced in circuit court Jan. 26.

At the time of the fire, the association carried \$1 million of fire insurance on the building, distributed among 11 companies. One company, which carried \$200,000 of the risk, Fireman's Fund, has made full settlement of its proportion of the agreed loss, and has paid to the association \$94,837.60. The other companies, while having made a small payment on account, have not yet paid their full pro rata share.

After a careful appraisal, the amount of the loss to the building was agreed to by the representatives of all of the insurance companies and of the association, in the amount of \$474,187.78. The unpaid balance owing by the 10 companies, on the basis of the agreed loss, is \$339,350.

The reason being advanced by the 10 companies being sued for not making payment, is the assertion that the building was not insured to value, as provided in the 90% insurance clause in the policies. Before purchasing the \$1 million of fire insurance on the building, the trustees secured an insurance engineering survey from a state agent of Fireman's Fund determining the insurable value of the building. The trustees acted in reliance upon the survey and followed the recommendation made as to the amount of insurance to be carried. President Paul O. Strawhacker of the Masonic Temple Assn. said:

"Since the loss, and during the past several months, the trustees have made every effort to arrive at an amicable settlement, which would be consistent with the interests of the association and its members."

"The decision to commence suit was made with reluctance, only after the trustees had come to the conclusion that the long delay had already resulted in serious loss to the association, that further delay would result in additional loss and that the interests of the association and of the Masonic fraternity represented by it required that action be commenced immediately to collect the unpaid balance of the agreed loss and damages resulting from the delay in making payment."

This building had been insured until about 30 days before the fire for \$100,000 without coinsurance. In revamping the program a local agent brought the fire insurance field man into the picture and he appraised the property at \$1,100,000 and the insurance was placed on the 90% basis. Following the fire an independent contractor estimated the sound value at \$2,600,000.

Written Premiums of Continental Up 38% in 1947

As usual the annual reports of Continental and Fidelity-Phenix appear early in the year and are studied with particular attention because, being so representative, their experience is a very good index of what the aggregate results may be.

Continental, at Dec. 31, 1947, reports assets of \$170,696,143, which is an increase of better than \$13 million. At market the assets are about \$1,300,000 greater.

The premium reserve was \$43,137,983, which was an increase of nearly \$9 million. Capital remains at \$20 million and Continental was able to produce an increase of about \$1,200,000 in net surplus, the new figure being \$87,680,854. That is on the insurance commissioners' basis. At market there was a drop of \$3½ million in net surplus.

Premiums written total \$51,267,982

which was an increase of 38%. Premiums earned actually declined by nearly \$300,000, the 1947 figure being \$42,297,766.

Losses of \$24,864,487 were up about \$6 million and expenses of \$18,410,260 were about \$5 million higher. There was an underwriting loss of \$976,981. Net investment income totaled \$5,913,110. The net decrease in market value of securities was \$4,139,882.

Assets of Fidelity-Phenix are \$141,143,999, premium reserve \$34,783,074, increase \$8,008,264, capital \$15 million and net surplus \$73,464,295.

Premiums written were \$42,094,392, premiums earned were \$34,086,128, losses \$20,920,683, expenses \$15,216,836 and the underwriting loss \$2,051,392.

Net investment income was \$4,933,606. On the market basis, the net surplus was off about \$4 million from the previous year.

Ramsdell Heads Pioneers

Pioneers Club (25 year group) of Factory Insurance Assn. held its annual dinner at Hartford and elected Thomas Y. Ramsdell, president; Ralph W. Jones, vice-president; and Mae E. Peterson, secretary. Guests were C. W. Pierce, president of the association, and F. D. Ross, vice-president.

Praises Facilities of Federal Attorney in Fraud Recovery

Use of federal courts in fire insurance litigation where fraud or arson is involved was urged by Abraham G. Kaplan of the law firm of Powers, Kaplan & Berger, in his address before the insurance law section of New York Bar Assn. The facilities of the U. S. attorney's office to subpoena witnesses and broader federal regulations give the federal office an advantage over state, county or municipal law enforcement or judicial agencies.

Frauds in fire insurance almost always involve the destruction in the fire caused by arson, of records that are essential as evidence in obtaining a conviction. As a result of this it frequently happens that the only statute under which the criminals may be tried involves violation of the federal rules on using the mails to defraud. Such cases may only be tried in federal courts as they are beyond the jurisdiction of the others.

Points on Frauds

Curtailed for time because the meeting had lasted over three hours by the time he was called upon to speak, Mr. Kaplan gave a brief description of a 19 page document which he prepared and which contained a thorough description of the laws and court decisions applying to fire insurance fraud. Among the points brought out in the paper were the following:

An exorbitant statement as to values of the property claimed to have been damaged raises a presumption of fraud.

Fraud as to a part of a claim vitiates the entire claim and the plaintiff cannot recover under the policy. If the fraud consists of a misrepresentation as to a material matter, it is not necessary for the insurer, in order to defeat the plaintiff's claim on the policy, to show that the misrepresentation was made under oath. It is immaterial whether the false statement is sworn to or not and likewise immaterial whether the misrepresentation constituting the fraud is written or oral.

Previous Record Important

It is well settled that the previous insurance record of an applicant for insurance is material to the risk. False statements made with regard to the insured's previous fire insurance experience void the policy.

The value of the property to be insured is essential and material to the risk and a false representation with regard thereto will void the policy.

A misrepresentation as to ownership of the property to be insured is material to the risk and failure to disclose the real owner of the property will void the policy.

When the offense charged is one that involves fraudulent intent or motive of the accused, it is permissible in criminal cases to introduce evidence of other acts and transactions of the accused of a kindred nature, to show his intent or motive in the particular act directly under prosecution, even though such evidence may show the commission of other offenses than that for which he is being tried.

Circumstantial Evidence

In prosecutions for conspiracy to commit an offense against the U. S., the conspiracy may be proven by circumstantial evidence and the defendant may be convicted thereon, though there was no direct evidence adduced at the trial to prove the conspiracy.

Letter mailed in execution of a scheme to defraud need not disclose any fraudulent representation or purpose.

Knowledge of the scheme in existence at the time of the mailing may be proved by circumstantial evidence.

Intent to use the mails may be shown by circumstance and may be inferred from the very nature of the scheme itself.

John J. Woods, New York, described the motor vehicle safety responsibility act and interpretations of the law by the motor vehicle commissioner. It was estimated that before the enactment of the New York financial responsibility law 30% of the vehicles in the state were insured and that the percentage has now increased to more than 80%.

In 1946, 7,110 financially irresponsible persons deposited \$1,348,677 in cash security and 16,351 drivers' licenses or owners' plates were either surrendered or picked up by the police for failure to furnish security and future responsibility. The figures for 1947 are not yet available but indicate at least a 20% increase.

Barent Ten Eyck, New York, discussed a bill now pending before the New York legislature and recommending the adoption of federal rules by the states on examination before trial, discovery, and inspection.

Edmund C. Faulkner presided at the meeting at which Superintendent Dineen and Chairman Mary H. Donlon of the workmen's compensation board, spoke briefly.

At the election session later, David F. Lee was made chairman of the committee for 1948 while all other officers were reelected.

Lay Plans for New England Parley

BOSTON—The general program for the annual summer outing of New England Associations of Insurance Agents at Poland Spring, Me., next June 17-19, was determined upon at a meeting of the New England advisory board here. The convention will open the afternoon of June 17 with a board meeting and will be followed by an informal dinner. Friday morning a business session will be held. The afternoon will be devoted to sports and the banquet will be held in the evening. On Saturday morning the convention will close with an agents' forum.

The advisory board named a committee to act as liaison with New England Fire Insurance Rating Assn. on rates, rules and forms, consisting of Paul J. Jullien, Waterville, Me.; Howard A. Allen, Burlington, Vt.; Dana J. Low, Northampton, Mass.; Edwin S. Cowles, Hartford, and Henry E. Davis, Providence.

A committee to draw up resolutions against the withdrawal of the extended coverage endorsement No. 3 rates by Allied Lines Assn. was named, to consist of Carleton I. Fisher of Providence and Howard A. Allen.

Henry H. Reed, New York manager of North America, has returned from a tour of Europe, India and Australasia.

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The Beitmann Archive

The Reluctant KING JOHN Sanctioning the SURETY INDUSTRY

At Runnymede, on June 15, 1215, twenty-five English barons assembled to witness King John sign the historic Magna Carta.

The Magna Carta provided for the freedom of the oppressed and created the principles of suretyship. It guaranteed the observance of the Charter by King John, who bound himself to uphold the reforms granted by the Charter and proposed that a group of twenty-five barons be selected as sureties to watch performance of his obligations, authorizing them to redress through recourse to his property as security in the event of his default.

The collective Frankpledge has long since been abandoned, but the principle of relying on one person as a pledge for the performance of another was preserved and has been carried through in basic degree into the principles of modern corporate suretyship.

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LeRoy to Burst at Seams for Ohio Farmers Centenary

The village of LeRoy, O., will be bursting at the seams from Feb. 8-11, when Ohio Farmers, celebrating its 100th anniversary, will play host to



C. D. McVay



J. C. Hiestand

agents and field men, as well as visiting dignitaries throughout the U. S. and Canada.

The program has been worked out by C. D. McVay, president; J. C. Hiestand, secretary; C. E. Curtis, general counsel, and R. B. Hawley, treasurer, whose father, grandfather and great grandfather have all preceded him as officers of the company.

In order to accommodate visitors as comfortably as possible, the home office has had to take hotel space at Cleveland, Akron, Wooster and other nearby cities, towns and villages. It is estimated that nearly a thousand persons will visit this little village of 250 inhabitants. Because of the limited seating capacity in any one room, Mr. Hiestand has rigged up a public address system that will carry the speeches to practically all points of the village where interested listeners may gather. Due to the shortage of facilities it was necessary to trim the guest lists to the very minimum.

Gov. Ralph Gates of Indiana will address the forum the afternoon of Feb. 10 and is to be introduced by Gov. Thomas Herbert of Ohio. Gov. Gates and his father both represented Ohio Farmers and his brother is still an Ohio Farmers agent in Indiana.

Rep. John Vorys, ranking Republican member of the House foreign affairs committee, will speak at the round-up banquet that evening. His father was a director of Ohio Farmers for many years and his brother, Webb, Columbus attorney, is a present member.

Program of Events

On Sunday, Feb. 8 the visitors will attend services in the Methodist church and will take part in a flag raising ceremony, which will be the first flying of the 100th anniversary flag. That evening there will be a concert by the Seiberling chorus.

The morning of Feb. 9 there will be general conferences, then in the afternoon there will be an insurance school, and then the group will listen to a broadcast sponsored by Ohio Bell Telephone Co., and honoring Ohio Farmers, and this will be followed by an ox roast.

Tuesday afternoon there is scheduled the Ohio Farmers Insurance Agents Assn. meeting. Mr. McVay will give the address of welcome and the response will be by the president of the agents association. Mr. Hiestand will give his annual review of underwriting results and then Governor Gates will give his address. At the banquet that evening, Charles E. Curtis, general counsel, will make awards to 25-year veterans and Rep. Vorys will speak, and then comes the annual meeting ball.

On Feb. 11 the directors of Ohio Farmers will hold their annual meeting and the agents association will have its business session.

Some 15 farmers of Westfield township decided to organize an insurance company at a meeting in a village store at Westfield, O., in 1847, and the necessary charter was granted by the Ohio legislature Feb. 8, 1848. The company

grew at a very satisfactory clip. In 1850 it had 64 agents in 25 Ohio counties. In 1873 on its 25th anniversary, Ohio Farmers had assets of \$618,202. It started in a one-story office building and then a two-story structure was needed.

The 75th anniversary was observed by a colorful celebration in 1923 at the home office with a very large gathering of employees, agents, policyholders and other guests.

About the turn of the century, Ohio Farmers changed the basis of its operations to that of a general writing fire insurance company instead of being strictly a farm insurer. Now 85% of premiums come from non-farm sources. In 1919 it became a member of the National Board. In 1929 Ohio Farmers Indemnity was formed.

George Collier, who first surveyed and laid out Westfield township, was elected as the first president of Ohio Farmers. His great grandson, C. A. Collier of Cleveland is now a prominent agent of Ohio Farmers.

The second president was Jonathon

Simmons. H. E. Simmons, now a director of Ohio Farmers, is a descendant of Jonathon Simmons and is a great grandson of both George Collier and Asa Farnum, one of the first directors. Numerous other names have been perpetuated throughout Ohio Farmers history. In 1858 A. G. Hawley became secretary. His son, A. H. Hawley, was secretary from 1866 to 1890 and his son, Frank H. Hawley was president from 1912 to 1940. Robert B. Hawley, a great grandson of A. G. Hawley, became treasurer of Ohio Farmers in 1945. J. C. Hiestand has been with Ohio Farmers 30 years and Mr. McVay is in his 26th year of service.

Argentine Insurance

Felipe A. Espil, chairman of La Universal, life, fire and casualty insurer of Argentina, is in the U. S. for several weeks from Buenos Aires. La Universal is a comparatively new company, having been formed about a year ago with a particular interest in aviation, automobile, and ocean marine insurance.

Mr. Espil was ambassador to the U. S. from 1931 to 1943. He is also an attorney, with a law office at 342 Madison avenue, New York. La Universal has its head office at Avenida Rogue Saenz Pena 511.

"Ad" Men to Cover Many Topics

The mid-winter meeting of the Insurance Advertising Conference in New York Feb. 20 will include discussions of insurance advertising under public law 15, public relations for local agents, and what agents expect from the advertising department, and talks on direct mail, safety advertising, and the buyer's viewpoint.

N. H. Agents Association Employs Full Time Aid

Edward G. Robinson of Portsmouth, N. H., has been selected as the first full-time salaried secretary of New Hampshire Assn. of Insurance Agents. He will start on the job March 1. He is a graduate of Harvard and has been teacher-coach at Portsmouth high school.

Half Million Fire in Indiana

A fire at the Majestic Corp. in Huntington, Ind., last week will produce a loss estimated at \$550,000. The property loss will run \$360,000 while U. and O. will be about \$200,000. The loss is being handled by Western Adjustment.



100 Years in the United States

*Looking back...
and AHEAD!*

One hundred years ago The Liverpool & London & Globe Insurance Company Ltd. appointed its first agent, Alfred Pell in New York to introduce "L. & L. & G." insurance to the home owners and industry of the United States. We're proud of this, and we're very proud of the record of service, security and performance established over the past one hundred years. We are not looking or lingering too much over the past, but rather going ahead, planning for greater achievement in the years to come.

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Now is the Time!

for Church trustees to review the fire insurance on their churches carefully in respect to present day valuations. Most Church fires occur during January and February. When they do occur, there is usually insufficient fire insurance protection.

Solicit the Churches in your city...you will probably find many instances of inadequate coverage.



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Warren Hopeful on Commission Issue

L. P. Warren, Associated Agencies, who was reelected president of the Chicago Board at the annual meeting last week, in his report of administration, indicated that some progress is being made with W.U.A. members on the matter of commissions.

The board has appointed a special committee to handle the meeting and Mr. Warren reports that their sessions with members of the governing committee of W.U.A. to obtain cooperation in bringing about a delay in the change of commission schedule until the annual meeting of W.U.A. in April, have, "in more instances than not been more encouraging than we dared hope."

Mr. Warren urged the members on the subject of commissions to forget everything but the general good. He remarked that the business is in for some changes and there will be wounds and upsets in the past way of doing business.

He mentioned the difficulties experienced earlier in the year under the agency limitation rule, which was broadened to allow each company five agencies. He reported that as of the date of the meeting there were no infractions, and mentioned that officers of the board had a talk with Manuel Gorman, who is special deputy of the attorney general's office assigned to insurance, and received an opinion that the board need not worry too much about the rule. It was a most encouraging visit, he said.

The new Illinois regulatory bill for fire and casualty is among the best examples of a law based on the all industry bill, Mr. Warren commented. He declared that the board has entire confidence in Director Parkinson to administer the law fairly.

Mr. Warren had many words of praise for Chief Frank C. McAuliffe of the Chicago Fire Insurance Patrol, and for W. W. Hamilton and W. W. Krom, manager and assistant manager of the Board.

Hartford Fire Advertising Manager Is Retiring

E. S. Anderson, who has been advertising manager of Hartford Fire since 1931, and has been in its advertising department since 1921, has been compelled to retire because of the condition of his health. He has been ill for the past year.

When Mr. Anderson joined Hartford, the advertising activities of both Hartford Fire and Hartford A. & I. were handled in one department. Mr. Anderson's first assignment was to develop an advertising service for Hartford A. & I.

Mr. Anderson's work has included supervision and production of Hartford's newspaper advertising service for agents, handling trade paper advertising and composing and distributing all kinds of local agency advertising and promotion material. He attended Massachusetts Institute of Technology and for many years was manager of National Farm Power, a group of farm papers with headquarters at Springfield, Mass. He has been an enthusiastic fisherman and mountain climber.

Dissolve Myers Agency

Following the retirement of Emmett M. Myers, vice-president in charge of the St. Louis office of the Fidelity & Deposit in St. Louis, the general agency firm of Myers, Doenges & Co. will be dissolved.



L. P. Warren

W.U.A. to Meet in Swampscott

The annual meeting of Western Underwriters Assn. is to be held at the New Ocean House, Swampscott, Mass., April 27-28. It had been expected that this meeting would be held at the Greenbrier, White Sulphur Springs, W. Va., but that hotel is not yet back in operation.

F. D. Payne Joins Illinois Department; Shriver Takes Phoenix of London Post

Frederick D. Payne, Illinois state agent for Phoenix of London, has been appointed supervising insurance analyst in the Illinois department.

Mr. Payne is a prominent Illinois field man. He was before the war with New York Underwriters in Indiana and joined Phoenix in Illinois in 1945. He has been active in the fire underwriters associations and Blue Goose.

L. F. Shriver has been named special agent to succeed Mr. Payne. For the past two years he has been assistant to the brokerage superintendent at Chicago, and before his army service was with Fred S. James at Chicago.

Pa. Attorney General Rules Against Auto Men

HARRISBURG—Pennsylvania automobile dealers, even though they are licensed insurance agents, may not legally receive a commission on fire, theft and collision insurance placed on motor vehicles they sell on time payment plans, Attorney General Chidsey has ruled.

Dealers who are not insurance agents likewise are prohibited from sharing in the commission on insurance written on automobiles sold on installment plans, it was held in the decision requested by Commissioner Malone.

H. A. W. Happer Is New West Va. President

H. A. W. Happer of America Fore was elected president of the West Virginia Field Club at the annual meeting at Huntington. About 70 attended this gathering and that of the Blue Goose, which occupied in all, two days. Bernard F. Flood of Royal-Liverpool is the new vice-president; H. E. MacShane of Aetna Fire is secretary and the new members of the executive committee are I. W. Johnson of St. Paul F. & M.; R. B. Apperson, Hartford Fire; R. W. Mercer of Home and Fred C. Campbell of Farmers, Buffalo and Reliable.

WANT ADS

FIRE INSURANCE ENGINEER

Experienced man desired by large insurance brokers for rate protection and inspection work. State age and qualifications. Address O-70, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Fire Special Agent for travel out of New York City. Good opportunity for young man with Home Office or Rating experience. Address O-89, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

LOSS MAN WANTED

Assistant to loss department supt. wanted by West. Dept. of large fire insurance company in Chicago. Splendid opportunity for advancement. In reply state qualifications and experience. Salary open. Replies confidential. Address O-85, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

N. Y. Sells at \$9

More t were sal Salvage according president dition, g \$50 million ration.

The se York hol to \$1 mi every few week was ing goods hundreds the large shoes to contents ties of dr icals from other ite

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N. Y. Salvage Unit Sells Goods Valued at \$9 Million in '47

More than \$9 million worth of goods were salvaged and sold by Underwriters Salvage Co. of New York during 1947, according to John C. McClure, vice-president and general manager. In addition, goods valued at approximately \$50 million were serviced by the organization.

The seven-story warehouse at New York holds contents valued at \$500,000 to \$1 million with a turnover almost every few weeks. In the building this week was a miscellany of items including goods from an entire grocery store, hundreds of record albums from one of the larger department stores, enough shoes to fill several shoe stores, the contents of a pawn shop, huge quantities of dresses, men's suits, coats, chemicals from a factory, and hundreds of other items.

Largest Transaction in 1947

The largest single operation last year was that recovered from the May Co. department store fire from which goods valued at \$2 million were recovered and sold. Earlier a fire in the Nieman-Mercus store at Dallas, burned and destroyed \$1,200,000 worth of goods. Recovery was made and sale approximating 50% of the original value was made to the Filene store at Boston. Goods traveled to Boston from Texas in 50 trailers over the road.

The company uses three methods to dispose of goods. They are public auction, sealed bids, which is used mostly, and negotiated sale. If the highest bid doesn't come up to the company's valuation of the articles, the highest bidder is given an opportunity to come up to the company's estimated valuation.

Operating in 39 states, the company

also assists the government in disposing of salvaged goods. After the Texas City explosion salvage experts were moved in from different parts of the country and assisted the government in processing \$12 million worth of tin ore. Large quantities of goods were removed from Texas City and sold from a hangar rented at a nearby airport. Branch offices are maintained in 14 cities. The board is composed of fire company executives.

Now in its 51st year the company has about 75 permanent employees but sometimes there are 300 to 400 persons that work on particular salvage jobs. This week \$200,000 worth of tobacco and candy is being moved into the warehouse for sale as the result of a fire at Bridgeport late in January.

Buyers from many of the stores throughout the country are in contact with the company's offices, and sales such as that in Texas to a store in Massachusetts are not unusual. Items sold have brought in returns from 50 cents up to \$600,000, the largest single sale made.

On the sixth floor are three huge, modern drying machines used to recondition various textiles before they are resold. In the South, the company has special facilities and arrangements with the fire departments to extinguish cotton fires. Special equipment is used to penetrate the bales after the firemen have put out the exterior flames.

Mutual Organizations Meet on Plan to Merge

Ohio Mutual Insurance Union, composed of legal reserve mutual firms in Ohio, of which J. W. Huntington, Columbus, is president, has been holding meetings with the Ohio Federation of Mutual Insurance Assns., with regard to a merger of the two groups. Tentative plan was approved which will be submitted to the annual meeting of the two groups Feb. 17-18 in Columbus.

Offer Ideas on How to Define Kinds of Insurance

THE NATIONAL UNDERWRITER editorial of Jan. 15 "Kinds of Insurance" has evoked considerable response. This editorial suggested the desirability of simple definition of classes of insurance and invited suggestions.

John Drenth, San Francisco manager of Employers Mutual Liability, writes: "I read with interest your editorial comment under the heading 'Kinds of Insurance.'

"There may be 1,169 or some other absurd number of 'Kinds of Policies' but I think there are only three 'Kinds of Insurance.'

"The first kind of insurance which began was property insurance. It matters little whether the policy is marine, fire, burglary, plate glass, fidelity bond, earthquake, tornado, hail, livestock, boiler or automobile comprehensive or collision. It is all loss due to destruction or disappearance of property.

Life Insurance

"The second kind of insurance to emerge was life insurance. Here again it matters not whether it be group, straight life, accident or health or hospital insurance. It is all loss due to injury, illness or death of the individual insured.

"The last kind of insurance to evolve was liability or third party insurance. Workmen's compensation, automobile bodily injury and property damage, products liability, business and home liability and many other special policies all cover the same kind of risk. This is our responsibility for damage of ourselves or our family or employees to the other fellow or his property.

"There is nothing complicated about

insurance except the business of insurance. Keep up the good work of making it understandable."

Richard C. Budlong, editor of the "Local Agent," writes:

"On your editorial page for Jan. 15 you outlined what the insurance business seeks to do and conclude it with the hope that someone else would fashion a more simple statement about the kinds of insurance there are.

"Here goes for a trial:

"Insurance indemnifies the insured for loss or destruction of his property, or damage to it, and against the costly delays resulting from such damage. It replaces, in part, the economic value destroyed by the death or disability of an individual and the costs directly resulting from such death or disability. It assumes the legal liability of the insured, arising from his negligence, and the cost of his legal defense. Usually insurance contracts limit the amounts of damage which they will pay and frequently specify the causes of loss or damage which they cover."

Dillard Hall's Views

From J. Dillard Hall, associate agency director of U.S.F.&G.:

"I have read with considerable interest your editorial 'Kinds of Insurance' in your Jan. 15 issue. In the last paragraph of your article you state that you 'hope that someone will fashion a more simple, comprehensive and exhaustive statement of the kinds of insurance there are.'

"Some one has said that 50% of an agent's business is that of home owners and professional men. As we all know, there are many coverages available in the operation, maintenance and use of a home or for the professional man. Some few months ago the writer designed what we call a Personal Insurance Audit, copy attached. By looking over this book you will find that every available insurance can be pur-

(CONTINUED ON PAGE 18)

REINSURANCE

FIRE and ALLIED LINES

INTER-OCEAN
REINSURANCE
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PRO-RATA and EXCESS of LOSS



Name Ind. Group to Study Need for Recodification

INDIANAPOLIS—Carrying out the recommendation of the 1947 Indiana legislature, Gov. Gates has named 26 men to form a state insurance survey commission to study the need of recodifying laws affecting insurance: Joseph G. Wood, Kenneth E. Yates, Oren D. Pritchard, Carl F. Maetschke, Ralph B. Gregg, F. A. Hackett, John D. Hughes, Alvin E. Bulau, Lynn D. Swisher, Arch N. Bobbitt, John A. Royce, George Ford, Herman C. Wolff, Hugh E. Reynolds, Alvin C. Johnson, J. Russell Townsend, Jr., Robert Osler, Charles T. Coats, all of Indianapolis; Edward Hedges, Bloomington; John Kendall, Danville, and Paul Stump, Crawfordsville.

Associate members are: Fred H. Sterling, Newell C. Munson, Eber M.

Spence, J. Edward Faust, E. S. McMahon, E. P. Ressler and Harry Cooper, all of Indianapolis; Loyal B. Wilson, South Bend; John Henry, Continental Casualty, Chicago; Linn S. Kidd, Brazil; Harold C. Phend, Monticello; A. G. Allen, Muncie; Walter Machling, Terre Haute, and Marker Sunderland, Muncie.

Ex officio members include Commissioner Pearson, Attorney General Foust, Herman B. Gray, deputy insurance commissioner, and Herbert P. Kenney, director of the legislative bureau.

First Meeting Held

The first meeting of this commission was held at Indianapolis with more than half the membership present. Commissioner Pearson presided and made a preliminary statement as to the purposes of the commission. The last codification of Indiana's insurance laws was made in 1935 and there have been a

number of insurance laws passed since then. Mr. Pearson says it is to be the task of this commission to collate existing acts and to add proposals for additional legislation to meet various contingencies that have arisen as a result of the new status of the insurance business.

Mr. Pearson said there will likely be additions made to the membership of this commission as it may be found that other interests should be represented. The question of capital investments of fire and casualty companies might require some consideration to put them in conformity with the laws of other states in which they operate. The importance of achieving nationally uniform insurance laws is now more important than ever before, he emphasized.

Consideration may be given to licensing independent adjusters. He advocated the adoption of a permanent agency licensing system in place of the annual procedure.

He referred also to the prospect of company groups following the step now being taken by Home of bringing all the companies in the group into one larger company.

He announced that the commission would operate through four sub-committees—a general committee of which he will serve as chairman, a life committee, with attorney Joseph G. Wood as chairman; a casualty committee, Ralph Gregg, attorney; a fire committee, Alvin E. Bulau, Home.

It is the plan for the commission to hold monthly meetings at the start, to be stepped up to bi-weekly and later, weekly, next fall.

Western Adjustment Moves

Carl A. Craig, who has been with the Columbus office of the Western Adjustment Bureau in Miami.

Leslie A. Heidrich, who also has been with the Columbus office about 15 years, is leaving to return to his old home in Minneapolis to become associated with the Appraisal Service Co. there.

Forest M. Aspinwall, who has been in the Western Adjustment office in Cambridge, has been transferred to the Columbus headquarters.

Preventionists to St. John

The annual meeting of Assn. of Canadian Fire Marshals will be held jointly with that of Dominion Fire Prevention Assn. at St. John, N. B., May 17-20.

Agency Management School Convenes at Storrs Aug. 8

N.A.I.A. University of Connecticut and Connecticut State Assn. of Insurance Agents will again sponsor a course in advanced agency management at Storrs. The course will run for one week, commencing Aug. 8.

Designed for experienced principals, agents and executives, enrollment is limited to 50 and requires \$55 tuition which includes room and board.

Inquiries and registrations should be addressed to William H. Wiley, 99 Pratt street, Hartford.

Magenheimer Claims Head

American International Marine Agency has appointed Henry W. Magenheimer manager of the claims department. He has been assistant manager, and has been with Appleton & Co. for more than 20 years in the claims and personnel departments.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 S. La Salle St., Chicago
Jan. 26, 1948

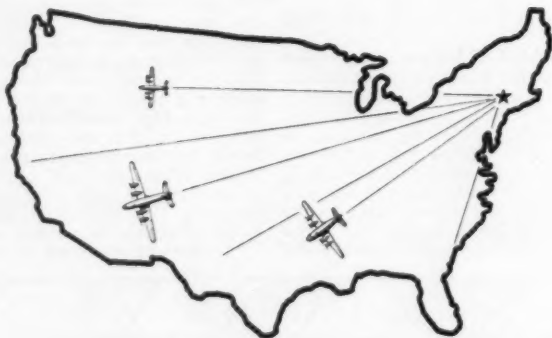
	Div.	Bid	Asked
Aetna Casualty	3.00	84	86
Aetna Fire	1.80*	44 1/2	46
Aetna Life	2.10*	45	46 1/2
American Alliance	1.00*	18 1/2	19
American Auto .....	.80	36 1/2	38
American Casualty .....	.60	11 1/2	12 1/2
American (N. J.) .....	.70*	15 1/2	16 1/2
American Surety	2.50	55	57
Baltimore American .....	.30*	6	6 1/2
Boston	2.20	65 1/2	67 1/2
Camden Fire	1.00	18 1/2	19 1/2
Continental Cas.	2.00*	51	52 1/2
Fire Association	2.50	47	49
Firemen's (N. J.) .....	.50	11 1/2	12 1/2
Franklin Fire	1.00	19 1/2	21
Glens Falls	1.60	41 1/2	43 1/2
Globe & Republic .....	.50	7	8
Great Amer. Fire	1.20*	27	28 1/2
Hanover Fire	1.20	25 1/2	26 1/2
Hartford Fire	2.50*	104	107
Home (N. Y.)	1.20*	24 1/2	25 1/2
Ins. of N. A.	3.00*	93	97
Maryland Company .....	.80	13 1/2	14 1/2
Mass. Bonding	1.60	28 1/2	30
National Casualty	1.25*	25 1/2	27
National Fire	2.00	43 1/2	45
National Lib. ....	.30*	6	7
New Amsterdam Cas.	1.00	38	41
New Hampshire	1.00*	44	45 1/2
North River	1.00*	23 1/2	25
Ohio Casualty .....	.80	37	38 1/2
Phoenix, Conn.	2.00*	84	87
Prov. Wash.	1.40*	32	34
St. Paul F. & M.	2.00	68 1/2	71
Security, Conn.	1.40	23 1/2	25
Springfield F. & M.	1.90*	41 1/2	43
Standard Accident	1.45	29 1/2	31 1/2
Travelers	18.00	517	530
U. S. F. & G.	2.00*	46	48
U. S. Fire	2.00	49	51

*Includes extras.

1947 MUTUAL FIRE RESULTS

	Adm. Assets	Unearned Prens.	Net Surplus	Net Prens.	Net Losses Paid
Donegal & Conoy Mutual	631,721	349,309	251,317	327,758	131,474
Illinois Mutual Fire	283,679	169,739	105,058	134,616	45,606
Knox County Mutual	432,084	.....	426,274	33,881	10,107
Millers Mutual Fire, Ill.	5,625,893	2,589,709	2,531,432	3,411,846	1,364,971
Minster Mutual Fire	120,857	62,445	55,457	62,061	25,155
National Mutual Assurance Co.	168,147	.....	105,662	371,793	124,893
Republic Mutual Fire	1,132,400	417,439	679,448	357,360	152,095

Country-Wide Claim Service



THE CHARTER OAK FIRE INSURANCE COMPANY

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Globe and Rutgers Fire Insurance Company

The Insurance Company

of the

State of Pennsylvania

AMERICAN HOME Fire Assurance Company

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Bid	Asked
84	86
44 1/2	46
45	46 1/2
18 1/2	19 1/2
26 1/2	28
11 1/2	12 1/2
15 1/2	16 1/2
55	57
6	6 1/2
65 1/2	67 1/2
18 1/2	19 1/2
51	52 1/2
47	48 1/2
11 1/2	12 1/2
19 1/2	21
41 1/2	43 1/2
7	8
27	28 1/2
25 1/2	26 1/2
104	107
24 1/2	25 1/2
93	97
13 1/2	14 1/2
28 1/2	30
25 1/2	27
42 1/2	45
6	7
28	31
44	45 1/2
23 1/2	25
37	38 1/2
84	87
32	34
68 1/2	71
23 1/2	25
41 1/2	43
29 1/2	31 1/2
517	530
46	48
49	51

Net Losses	Paid
131,474	45,606
1,364,971	10,107
25,155	
124,893	
152,095	



MIKE O'SULLIVAN

Mike O'Sullivan, president of American Farmers of Phoenix, was speaker at the January meeting of the Boston Accident & Health Assn.

Putnam McDowell, president, presided at the meeting which was well attended by members and guests.

Mr. O'Sullivan spoke on "Low Cost Spot Cash Protection."

Needless to say, all those present enjoyed very much the talk delivered by Mr. O'Sullivan and sincerely hope that he can visit them often.

Other guest speakers were the new deputy commissioner, Joseph Humphreys, and Kenneth Backman, manager of Boston Better Business Bureau.

Seattle Marine Board Votes in Selz, Rennie

Joseph C. Selz, Home, was elected president of the Board of Marine Underwriters of Seattle. Gordon Rennie, St. Paul F. & M., was chosen vice-president, and F. W. Perry, Union of Canton, was reelected secretary-treasurer. The annual meeting, steered by the retiring president, C. H. Preston, A. B. Knowles & Co., was held at noon instead of in the evening as originally planned because Fireman's Fund encountered delays in completing the "Diamond Knot" salvage film which was to be the attraction. It will be shown soon.

It's Now Senator Stone

BOSTON—Edward C. Stone, former U. S. manager of Employers group, now resident of Oyster Bay, Barnstable on Cape Cod, Tuesday won the Republican nomination for state senator from the Cape Cod and Plymouth district, which is tantamount to election. Mr. Stone polled more votes than his five Republican opponents combined, with the two Democratic opponents included. Mr. Stone had formerly served as selectman, town moderator and town councilman of Lexington but has never aspired to higher political office. A special election will be held Feb. 14.

Western Mass. Club Elects

SPRINGFIELD, MASS. — The Western Massachusetts Field Club elected these officers: President, Russell Harrington, American; vice-president, F. G. Gilmore, Hanover; treasurer, Robert E. Burnham, Phoenix of London; secretary, Charles G. Bulkley, Springfield.

Indiana Mutual Agents Form

INDIANAPOLIS—The newly organized Indiana Mutual Insurance Agents Assn. at its first annual meeting elected Morlan Higgins, Lebanon, as president, and Thomas Boyd LaPorte, executive secretary. The group will be-

NEW YORK

RESOLVE THE MESS

The mess that developed in New York following the fire insurance rate increase of May 5, 1947, due to a variety of time in the New York metropolitan area on the application of the increase to renewal business has now been resolved.

New York Fire Insurance Rating Organization now takes the position that May and June bona fide renewals are not subject to criticism if written at the rates prevailing at May 1, 1947. Return premium endorsements are to be used on May and June renewals that were written at the increased rates.

Deputy Superintendent Martineau of New York also issued a statement on the matter. He said that in upstate New York, everyone collected the increased rates from May 5 on, but this was not true in New York Fire Insurance Exchange territory because there was no stamping bureau facility there, and for other reasons relating to local rules and renewal procedures.

Mr. Martineau recalled that on Oct. 17, he requested the companies to supply data on policies affected by the rate

revision, this information being desired so that the department could measure the extent of the inequities. He said the response has been incomplete, but was sufficient to aid the department in going further into the matter with company representatives. He said that the department and the industry are now developing a plan to prevent a recurrence of the 1947 difficulties.

MARINE BOARD REELECTS

All officers of the Board of Underwriters (marine) were reelected at the annual meeting. They are: President, J. Whitney Baker; first vice-president, Harold Jackson; second vice-president, Owen C. Torrey, and treasurer, J. Arthur Bogardus.

VOTE IS UNANIMOUS

The New York Fire Insurance Exchange, by unanimous vote, decided in favor of the important changes in the exchange agreement that were previously publicized. President A. J. Smith appointed a committee to study and report to the executive committee on the matter of qualifications for agents and other writing offices, eligibility for membership, and its opinion of the maximum reasonable rates of compensation together with proposed amendments to

the exchange agreement to conform with its recommendations. This committee consists of C. D. Sheffe, R. R. Martin, J. J. Magrath, W. J. Reynolds, G. F. Kern, G. R. Michelsen, A. B. Sohl, S. T. Skirrow, J. A. Forrestal, T. D. Hughes, W. A. Riordan, Victor Kurbyweit and Mr. Smith.

STURHAHN HEADS FIRM

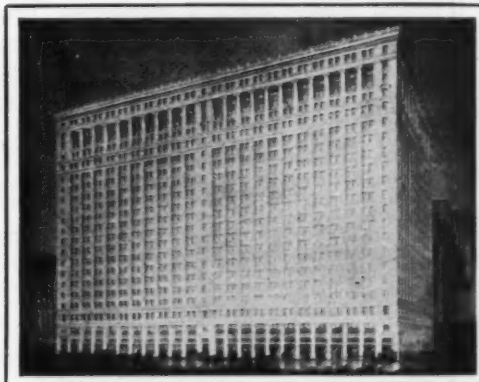
The name of the New York brokerage firm of De Lanoy & Kipp, has been changed to De Lanoy, Kipp & Sturhahn. Reuben E. Kipp becomes chairman and H. C. Sturhahn president. The firm started in 1882 as De Lanoy & De Lanoy. Mr. Kipp has been with the organization since 1901, and has been president 10 years.

Mr. Sturhahn joined the organization in 1947.

Mr. Sturhahn is a son of the late Carl F. Sturhahn, who was head of the Russia organization. He has been in the insurance business since graduation from Yale in 1927.

N. Y. BURGLARY CLUB SESSION

The Burglary & Plate Glass Club of New York will hear Miles F. McDonald, district attorney of Kings County, and who handled the Mergenthaler fraud case, at its Feb. 16 meeting.



"IS SPACE AVAILABLE in the Insurance Exchange Building?"

This is usually the first question asked when a leading firm or individual, engaged in insurance or allied lines, seeks a Chicago office. While space in this famous office building, Chicago's largest, has been extremely limited for some years—and still is—nevertheless, the management is prepared to do its best to satisfy the requirements of executives impressed with the value

of this key location. Here tenants enjoy the advantage of immediate personal contacts with other insurance firms and individuals in the building. They enjoy the highest standards of courteous and efficient service and they have the assurance that the other tenants are of a uniformly high character. Complete rental information will be sent promptly on request.

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years of factual appraisal
service to America's more con-
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APPRAISAL ENGINEERS
CHICAGO 40

NEWS OF FIELD MEN

National Revises Mich., Ill. Setup

National Fire has accomplished changes in the Michigan and Illinois fields. State Agent John F. Borg is being transferred to Lansing, to handle western Michigan and Special Agent Howard G. Downing is being promoted to state agent and will handle eastern Michigan.

Mr. Borg has been with National since 1927. For 11 years he was in the western department office and was assigned to Michigan in 1939. Special Agent W. D. Voorhees is being transferred to Michigan from northern Illinois and will assist Mr. Borg in western Michigan. Mr. Voorhees joined National in 1944 in the engineering department and was transferred to the field in 1946. He graduated from Lehigh University.

Special Agent T. M. Nyholm, because of ill health, must retire from active field work but he will continue in the company's employ and will handle loss work at Lansing.

Mr. Downing joined National in 1942 at Chicago. After returning from army service he was assigned to the Michigan field.

Carl H. Sachs, Jr., has been appointed special agent in Illinois to replace Mr. Voorhees and Elmer U. Dearstine has been appointed special agent in northern Illinois to replace W. H. Buesching who is being transferred to Springfield, Ill.

Mr. Sachs graduated from Illinois Institute of Technology and was with Missouri Inspection Bureau prior to joining National in 1937 as special agent in Wisconsin. Since returning from the army he has been an underwriter in the brokerage department at Chicago.

Mr. Dearstine joined National in the farm department in 1946. He has recently completed training in the automobile and inland marine departments.

Mr. Buesching was a farm underwriter for National for nine years prior to entering the armed service. Upon his return he was given special training and then assigned to the northern Illinois field.

Michigan Blue Goose Takes in 36 at Winter Meeting

A class of 36 goslings was initiated into the Michigan Blue Goose at the winter meeting Jan. 15 at Detroit. There were 175 members on hand for the banquet and several grand nest of officers attended, including E. J. Beauvais, Montreal, most loyal grand gander, and J. Ray Hull, Indianapolis, grand custodian. E. P. Carson and James B. Lecky, most loyal ganders of Indiana and Ohio also attended.

Horace B. Corell, Michigan deputy commissioner and Mr. Beauvais spoke.

Smoke & Cinder Club Elects

New officers of the Smoke & Cinder Club were installed at Pittsburgh last week. They are: President, Arthur Bachman, Home; vice-president, George Arrington, Norwich Union; secretary, Cheston Berlin, America Fore, and treasurer, Lawrence Larson, Security of New Haven.

P. M. Winchester, general manager of the eastern department of General Adjustment Bureau, spoke on "The Adjuster and the Producer." There was an exceptionally large attendance.

Iowans Ganders for Life

DES MOINES, IA. — Life membership in the Iowa pond of Blue Goose was awarded to W. H. Harrison, National Fire, and John Schultz, Great American, both retired.

Guests at the presentation luncheon were John Howenstein, superintendent of the Iowa service office; E. H. Car-

penter, Iowa special agent; C. L. Zook, assistant manager; and W. F. Martin, examiner, all of National Fire, western department.

James Sellers of L. E. Ellis and Co., Des Moines, will speak at the inspection of West Liberty, Ia., Jan. 29. Inspection have been tentatively set for Marshalltown in March and at Sheldon in May.

Culver Retiring After 30 Years with Fireman's Fund

Ray C. Culver has retired as Montana state agent for Fireman's Fund after 30 years. He is being succeeded by Frank A. Whitman, his assistant for the past year.

Stanton Takes Over Oregon

Henry E. Stanton is now state agent for Fireman's Fund in Oregon succeeding Glenn F. Letts, recently transferred to the head office. Mr. Stanton started with Factory Assn. in 1935 and served in the field in the New England, mid-Atlantic and southern states. He joined Fireman's Fund in 1942 as special agent in Massachusetts. After navy service he returned to the Massachusetts field and transferred to the home office last September.

Phoenix Names Bell in Cal.

Phoenix of Hartford has appointed Albert E. Bell special agent covering the south coast counties of California with headquarters in San Jose. Mr. Bell started in the business after four years in army service with a San Jose local agency. He succeeds Firman B. Voorhies, who has gone into the agency business on his own in Gilroy, Cal.

Sturges in Cal. for Royal

Donald J. Sturges has been appointed special agent for Royal-Liverpool in southern California. He has been with the Pacific department at San Francisco.

Opens New Newark Office

Harold W. Wittich, New Jersey state agent of Providence Washington, has opened a new service office at 24 Commerce street, Newark. Associated with Mr. Wittich are Special Agent Richard A. Lydecker and Mrs. Jean Halsey, who will handle the office details.

Transfers Brock to Ill.

American has transferred James D. Brock from Michigan to Illinois as special agent, assisting Harold W. Williams, state agent, with headquarters at Decatur. Mr. Brock replaces Special Agent

Robert J. Vanderbeck.

Mr. Brock was employed by American in 1947, and was assigned to the Michigan field after completing an extensive training course in the western department.

Form New Tex. Clubs

Houston Field Club has been organized with James F. Nowlin, National Fire, as president; O. E. Finlay, Commercial Union, vice-president; W. D. Potter, Cravens, Dargan & Co., secretary, and John H. Nabors, North America, treasurer.

The Alamo Field Club at San Antonio was organized with A. L. Thompson, Springfield F. & M., president; Richard Walker, New York Underwriters, vice-president; Fred A. Crawford, Great American, secretary.

Tiddy Joins National Union

Douglas W. Tiddy has been appointed special agent for National Union and Birmingham in the coast counties south of San Francisco. Mr. Tiddy, an army veteran, has been with a local agency in San Mateo, Cal.

COMPANIES

Kansas City F. & M. Shows Many Gains in Exhibit

Assets of Kansas City F. & M. increased in 1947 from \$2,733,762 to \$3,233,672. Net income was equal to \$1.41 per share compared to \$1.11 in 1946.

Premiums written totaled \$3,020,763 an increase of 49%. Expenses were 34.6% of premiums written, as against 38.3% in 1946. Losses incurred to premiums earned increased from 39% in 1946 to 56% last year.

Earnings on the total portfolio increased from 3.43% to 3.73%.

To Open New Building

Gulf and Atlantic will formally open their new home office building at 3011 Cedar Springs Road, Dallas, Jan. 30 with an open house. They are now using the building.

Vigilant Enters Okla.

Vigilant has been admitted to Oklahoma. J. R. Pollard, who has been state agent of Federal and also of Buffalo, Halifax and other companies, is appointed state agent.

DeMartini Named by Premier

Premier of San Francisco has appointed James L. DeMartini secretary-treasurer. He was formerly with Pacific National Fire.

Premier has moved its offices into the

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154TH ANNIVERSARY

1948

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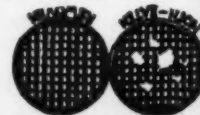
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Frank J. Smith, who for the past 10 years has been with James S. Kemper & Co. as vice-president in charge of fire production and engineering, has become associated with the prominent Chi-

Clunie building, which it bought in 1946 for its headquarters.

Aetna Life Group Board Changes

Dr. H. Gildersleeve Jarvis, Hartford surgeon, was elected a director of Standard Fire of Connecticut. Rawdon W. Myers, vice-president and comptroller of Aetna Life group, and Wilmot M. Smith, vice-president of Aetna Casualty, will be nominated for the board at the annual meeting Feb. 3.

Smith Elected by Iowa Mutual

H. A. Smith has been elected executive vice-president of Iowa Mutual and Iowa Mutual Casualty. He was formerly secretary of Iowa Mutual. R. A. Brown was elected secretary to succeed Mr. Smith.

Georges S. Howes was elected vice-president and agency manager of the companies and A. R. Kroppach, general counsel.

Wilbur G. Hoye, partner of Chas. W. Scranton & Co., investment bankers, has been elected a director of Security of New Haven.

Earl Grant Harrison, vice-president, trustee and dean of the law school of University of Pennsylvania, has been elected a director of Franklin Fire.

Fred E. Stanton has resigned as special agent of Great American in western Massachusetts to join the Mattis & Sullivan agency, Ft. Lauderdale, Fla.

Kansas City F. & M. and Sea have been admitted to Oregon.

CHICAGO

PIGGOTT'S NEW CONNECTION

Aubrey D. Piggott, who just recently became associated with Marsh & McLennan at Chicago, has been in the sales end of the insurance business since graduating from University of Illinois in 1927. He was born into the business, as his father, the late O. A. Piggott, was a prominent life insurance man there, having been life manager of Travelers and later life manager of the



A. D. Piggott

Critchell, Miller, Whitney & Barbour agency.

Aubrey Piggott started in the life insurance business and then was with Travelers. For the past 14 years he has been with the Rollins-Burdick-Hunter Co. agency. At M. & M. he will handle all lines of insurance, specializing in corporation coverage.

COLFORD OPENS OFFICE

W. J. Colford, who returned recently after being in California for several years, has now opened an independent adjusting office of his own in 841 Insurance Exchange building, Chicago. For 27 years Mr. Colford was with Toplis & Harding, specializing particularly in inland marine and Lloyds losses. He started in the inland marine field when that branch of the business was in its infancy.

SEGERDAHL PRESIDENT

The Honor Service Club of the western department of National Fire at its annual banquet elected as president John G. Segerdahl; vice-president, Joseph H. Kinzig; secretary, Gertrude L. McNicholas, and historian, Earl M. Gregory.

JOINS BARTHOLOMAY & CLARKSON

Frank J. Smith, who for the past 10 years has been with James S. Kemper & Co. as vice-president in charge of fire production and engineering, has become associated with the prominent Chi-

cago agency of Bartholomay & Clarkson. Prior to his connection with James S. Kemper & Co. he was with Springfield Fire & Marine for nine years in various special capacities in its western department. Mr. Smith will devote himself in his new connection with Barthol-

may & Clarkson to fire insurance engineering and production activities.

A. A. Morey, vice-president of Marsh & McLennan, reports that the insurance companies and agencies in Chicago are contributing practically 100%, and in

generous amounts to the March of Dimes campaign of National Foundation for Infantile Paralysis. Mr. Morey is chairman of the insurance division.

J. E. McNally, Schuyler, Neb., has been named president of State Farmers of Omaha.

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EDITORIAL COMMENT

Planting Acorns

THE NATIONAL UNDERWRITER is gratified to get first hand testimony that at least a dozen banks in various parts of the country have purchased extra expense insurance on the strength of the article in the Nov. 6 edition setting forth in detail the particulars of the \$100,000 payment received by Central National Bank of Chicago under extra expense coverage. THE NATIONAL UNDERWRITER prepared reprints of this article and these have been used to advantage by many agents and companies.

On the basis of information volunteered to us by insurance men we know of at least 12 extra expense contracts that were sold when this article was brought to the attention of bankers. And we assume that a great many more such contracts were placed that were not made known to us.

Western Adjustment cooperated in supplying the data for this article, including an exact statement of the extra expenses that were incurred month by month while the bank was carrying on in temporary quarters. Western Adjustment went further than that and completed a statement of the entire loss sustained by the bank amounting in all to \$193,000 although the limit of the policy was \$100,000.

This is the kind of publicity regarding insurance losses that we think could be much more extensively utilized for creative purposes in the business. That is, the complete details are given regarding a particular occurrence and preferably one that has been rather prominently in the public eye. These are dramatic situations and command attention because of their timeliness. The property owner sees before him how a

person similarly situated has actually fared with his insurance under circumstances that he can readily imagine might befall him.

Last year there were a number of very conspicuous dishonesty losses, headed by the Mergenthaler case. These were extensively publicized by THE NATIONAL UNDERWRITER with as thorough coverage of the fidelity insurance angle as possible, and reprints of these articles were hungrily taken by agents and company men throughout the country. Here, too, we had unsolicited testimony of many fidelity bond penalties being substantially increased by assured who could envision themselves in the same predicament.

This sort of article has a great deal more motivating influence than do stories of hypothetical losses or even actual losses with all identifying marks being removed. There is perhaps too great timidity on the part of insurance people in making known the facts that would permit publication of such motivating articles. There are naturally a great many cases in which much of the information has to be confidential, but there are a great many where this is not necessarily so. In the Central National Bank case, the bank not only had no objection to the publicity, but desired to have extra copies of the edition in which it appeared, and Phoenix of Hartford and St. Paul F&M., the insurers, were perfectly willing to have their part of the story told. The result so far as insurance is concerned, has been the acquisition of a not inconsiderable volume of desirable business that otherwise it is apparent would not have been written.

More on the Commission Problem

During the argument over commissions now raging between fire companies and agents, it is important not to overlook the possibility that the supervisory authorities watching from the sidelines may run away with the marbles. Agents don't want commissions to be regulated, but the precedent and framework for doing so are in effect now in Louisiana and Mississippi.

There has been some strong talk about commissions, but little has been settled. The situation points to the need of realizing that the companies are going to revise commissions where they are too far out of pattern.

One way in which companies have

sought to make clear their position is in connection with the reduction of extended coverage commissions to the fire commission level. The coverage was introduced in 1930 and until 1935 was available on dwelling risks only. The commission in that era was the same as on the fire policy. In 1935 the endorsement was made available generally, but the response was not immediate and in 1936 the commission was increased to correspond with that for windstorm insurance. The result is history. Agents gave the coverage a real selling, and it has become commonplace on fire policies. There is little if any sales resistance.

The companies believe that in devising the form and making it available to the public, they offered agents a chance to increase their earnings. The figures show this. E. C. premiums increased 345% or \$118,604,315 from 1940, which was the first year extended coverage was established as a major classification, through 1946, to a total of \$153,025,330. In the same time windstorm premiums decreased 24.6%, but the combined E. C. and windstorm premiums jumped 195%, or \$112,825,933, to \$170,694,097.

Inflated values played some part in the increase in these premiums, but obviously the main reason was the popularity of the coverage and the efforts of the agents in selling it. Also, obviously, agents' earnings increased.

Now the companies feel that the extended coverage is a major class. For this reason and because it meets with little sales resistance, justification for higher commissions on either windstorm or extended coverage no longer exists. In addition, the companies recognize that they must justify to supervisory authorities what they pay for business. This reasoning on the part of the companies, as to supervisory authorities, should not be underestimated by agents. The companies are under the gun, and in this regard are going to take action that they feel is absolutely necessary.

The real irritation of agents apparently arises from not being consulted before the premium reductions were put into effect, and, after having operated

for a long time on a certain commission scale, not being given much time to have that commission scale altered and adjust themselves to it. As a matter of fact, it has been suggested that a step-down be provided.

An agent in an excepted city protested to his company about the reduction in commissions. He said that he started in business on a 20% scale and made a living at it. The companies then offered 25%, and he was glad to get it. They then offered 30% and he was glad to get it. Later they offered 35% and he was glad to get it. What he would like to do is to be reduced about five points in 1948 and then another five in 1949. It is not impossible that a company would do this if the agreement arrived at now specified those terms for '49.

The offering of an alternative might also be helpful. For example, along with the suggested 15-20-25 scale in the mid-west, a flat 20 as well. The Eastern Underwriters Assn. territory has 15-25 or a 20% flat and 85% of the agents are on a 20% flat.

It is hard not to believe that the companies are in the driver's seat, that if they give they can take away. But perhaps if both companies and agents recognized that they cannot well get along without each other, and if they both realize that there is a third party on the sidelines who will gain more than either of them in case of a prolonged and bitter dispute, the commission question could be settled and the industry get back to business.

PERSONAL SIDE OF THE BUSINESS

E. Scott Hale, secretary of American and newly elected president of Eastern



E. Scott Hale

Loss Executives Conference, is a native of Mt. Airy, N. C., and a graduate of University of North Carolina law school. He was first employed by General Adjustment Bureau at New York. Later he was assigned to the Baltimore office, and subsequently became manager at Salisbury, Md.

After practicing law in West Virginia, Mr. Hale formed an independent adjusting firm, which he operated for several years. In 1933, he returned to G. A. B. as manager at Bluefield, W. Va.

In 1940, Mr. Hale joined American as manager of its loss department. He was made assistant secretary in charge of losses in 1941, and appointed secretary in 1947.

Raynolds Barnum, retired partner of the Kansas City agency of Mann, Barnum, Kerdolff & Welsh, and Mrs. Bar-

num have arrived in Florida for the winter.

Stewart Warner and John Curley of the New York law firm of Mendes & Mount, U. S. attorneys for Lloyds of London, are on a tour of the west coast.

John R. Cooney, president of Firemen's, has been appointed chairman of the advance gifts committee for the 1948 Red Cross campaign in Newark.

Norman I. Taylor of Burnside, former president of Kentucky Assn. of Insurance Agents, has been elected president of the newly formed Burnside Chamber of Commerce.

Frank B. Nelson, who is retiring as Louisville manager of Western Adjustment, was feted at a farewell dinner given by his associates. He was presented with a pair of matched bags by Western's regional supervisors, while his associates in Kentucky presented him with a watch and chain.

R. V. Cherry, executive general adjuster, was on hand from Chicago.

James B. Cullison, Jr., manager, and S. K. Bjornson, assistant manager of Rain & Hail Insurance Bureau, are on business trips at opposite ends of the country this week. Mr. Cullison is in

THE NATIONAL UNDERWRITER

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California to attend the Pacific Coast
hail conference and will not return to
Chicago until March 1. Mr. Bjornson
attended the southern department field
meeting of Springfield group at Edge-
water Park, Miss. He will be back on
the job Feb. 1.

James J. Ratchford, treasurer of Pru-
dential of Great Britain, was reelected
president of Reins Club of New York.
William Stibitz, reinsurance binding
agent of Newark, was named secretary
and Irving Fletcher, Hartford Fire, is
treasurer.

Members presented a skit depicting
the changes in the placing of facultative
reinsurance 10 years ago and today.
The group is altering its constitution
to permit the entry of casualty reinsur-
ance men and underwriters placing or
accepting the business.

DEATHS

Garbet L. Booker, 40, superintendent
of the eastern division of the hail de-
partment of Aetna Fire, North America
and Springfield F. & M., died last week
in New York city. Mr. Booker joined
the Rain & Hail Bureau in 1926. He
was considered an expert on fruit crop

Ernest Bramwell, who for several
years had been a broker with the Mann,
Kerdolff, Kline & Welsh agency of
Kansas City, died recently. Until he
went with Mann, Kerdolff he had been
a partner in the Anderson-Bramwell
Co. agency 26 years.

Edward C. Frampton, 58, of Mans-
field, O., died of a heart attack while
attending a meeting of directors of
Guarantee Mutual Fire at Springfield.
He was vice-president and agency super-
intendent of Lumbermen's Mutual of
Mansfield, with which he had been asso-
ciated for 20 years.

loss adjustments and fruit growing. He
was a graduate of North Carolina State
College and was a faculty member of
Virginia Polytechnic Institute before
entering the insurance business.

Charles F. Cashman, 74, senior part-
ner of Cashman & Evans general agen-
cy, Denver, died in St. Luke's Hospital.

Mr. Cashman was born at Hardins-
burg, Ky., was admitted to the bar after
two years of college preparatory work.
He went to Colorado in 1900, and for
three years was engaged in the broker-
age business at Cripple Creek. He op-
erated as a local agent at Trinidad, Col.,
for several years. In 1909, he moved to
Denver and was associated with the
late Henry F. Evans in the general in-
surance business, in Colorado, Wyoming
and New Mexico. He had been in poor
health for the past three years, and his
death resulted from complications aris-
ing from a fractured shoulder he suf-
fered in a fall Jan. 1.

Mrs. William Rodiek, Sr., wife of the
late William Rodiek, St. Louis local
agent, died suddenly.

Gerald D. Fitzinger, local agent at
Wisconsin Rapids, and Mrs. Fitzinger,
were killed at Carnegie, Pa., in a traffic
accident while enroute home after
spending the holidays in New York
with their daughter and son-in-law.

Mr. Fitzinger was senior partner with
his son, Jack, in the agency founded in
1887 by his father, the late Edward B.
Fitzinger. Jack E. Fitzinger will con-
tinue the agency.

Mrs. Kathryn V. Mountain of Mt.
Prospect, Ill., wife of Harry M. Moun-
tain, assistant western manager of Aetna
Fire at Chicago, died and funeral ser-
vices were held Tuesday at Des Plaines.

Rion Dow, 72, veteran agent at Fort
Dodge, Ia., died following a short ill-
ness. He had represented Travelers
there for all lines for more than 30 years.

George G. Newton, 79, founder and
president of the George G. Newton Co.
local agency at Superior, Wis., died at
a local hospital Jan. 22 after having been
confined two weeks after suffering a
fall. He went to Superior in 1894. In
1899 he established the present Superior
agency with W. M. Prindle of Duluth
and E. A. Merrill of Minneapolis as
partners.

John H. Harrison, retired fire insur-
ance adjuster, died at his home at Louis-
ville. He had retired some months ago
account of ill health. For a number of
years he operated as J. H. Harrison,
Inc., and prior to that was Louisville
manager for Underwriters Adjusting.
He served in the regular army for a
number of years.

Paul Kirkpatrick, 72, retired member
of the Dallas local agency of Kirkpat-
rick-Thompson Co., died suddenly Sun-
day afternoon. Mr. Kirkpatrick was
past president and a charter member of
the Dallas Insurance Agents Assn. and
had established the Dallas agency in
1914 after having been in the business
in San Antonio. He retired a year ago
and sold his interest to his partner, R.
W. Thompson.

James D. Hodges, 82, president of the
local agency of Burch-Hodges-Stone,
Martinsville, Va., died in Martinsville
General Hospital.

Since he had disposed of the bulk of
his interest in the agency to other mem-
bers of the firm prior to his death, the
business expects to continue without in-
terruption and under the same name.

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ocean marine risks are written, Appleton & Cox, Inc., marine
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ELIMINATE THE "GUESS"

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has happened to insur-
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expensive. It is better
and cheaper to know.

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INSURANCE COMPANY

FOUNDED 1906

PHILADELPHIA 7, PA.

WM. ELLIOTT, President

B. S. BALCH, Superintendent of Agencies

CONTINENTAL COMPANIES

General Offices: Chicago, Illinois

Continental Casualty Company

Financial Statement—December 31, 1947

ASSETS

Cash	\$11,911,566.12
*United States Government Obligations....	35,762,585.12
*Canadian Government Obligations.....	3,076,418.44
*Other Public Bonds	4,591,105.25
*Railroad Bonds and Equipment Trust Certificates	1,248,907.30
*Public Utility Bonds	1,047,690.00
*Miscellaneous Bonds	500,000.00
*Preferred Stocks	6,115,567.00
*Other Stocks	13,937,673.00
Mortgage Loans	104,394.30
Administrative Office Buildings.....	3,560,225.50
Premiums in Course of Collection.....	7,042,355.61
(Not over 90 days past due)	
Accrued Interest and Rents.....	292,209.16
Other Assets	292,972.41

ADMITTED ASSETS\$89,483,669.21

LIABILITIES

Unearned Premium Reserve.....	\$21,870,983.88
Reserve for Claims	30,024,883.51
Miscellaneous Liabilities	5,261,754.88
Reserve for United States and Canadian Income Taxes	1,544,370.73
General Contingency Reserve.....	6,950,000.00
Capital	\$ 6,000,000.00
Surplus	17,831,676.21

Capital and Surplus..... 23,831,676.21

TOTAL\$89,483,669.21

*Eligible bonds amortized. Insurance stocks valued on basis of pro-rata share of capital and surplus. All other securities at quotations prescribed by National Association of Insurance Commissioners.

Net premiums written during 1947.....\$64,077,953.15

Increase over 1946 9,117,814.98

Continental Assurance Company

Financial Statement—December 31, 1947

ASSETS

Cash	\$ 3,022,214.69
*United States Government Obligations....	28,413,133.00
*Railroad Bonds	8,981,469.44
*Public Utility Bonds.....	19,043,612.32
*Miscellaneous Bonds	11,783,909.99
*Preferred Stocks	5,613,745.24
*Other Stocks	2,395,895.83
Mortgage Loans	10,734,811.73
Policy Loans	3,454,805.26
Home Office Building.....	3,150,699.33
Elgin, Illinois, Housing Project.....	1,113,044.49
Other Real Estate Acquired for Investment	673,116.18
Net Deferred and Uncollected Premiums..	3,744,503.19
Accrued Interest and Rents and Other Admitted Assets	486,751.66

ADMITTED ASSETS\$102,611,712.35

LIABILITIES

Statutory Policy Reserves.....	\$ 81,233,886.33
Pending Claim Reserve.....	2,944,564.73
Premiums Paid in Advance.....	4,174,051.41
Miscellaneous Liabilities	4,088,631.85
Group Contingency Reserve.....	1,190,000.00
General Contingency Reserve.....	1,140,000.00
Capital	\$2,000,000.00
Surplus	5,840,578.03

Capital and Surplus..... 7,840,578.03

TOTAL\$102,611,712.35

*Eligible bonds amortized. All other bonds at quotations prescribed by National Association of Insurance Commissioners. All stocks at lower of cost or such quotations.

Insurance in Force as of December
31, 1947 ("Paid-For" Basis).....\$869,856,136

Increase over 1946 167,546,847

DIRECTORS

WM. McCORMICK BLAIR
William Blair & Company

WILLARD N. BOYDEN
Vice President

ROLLIN M. CLARK
First Vice President and Secretary

M. P. CORNELIUS
General Counsel

EDISON DICK
Executive Vice President
A. B. Dick Company

†HARRY W. DINGMAN
Vice President and Medical Director

FRANK R. ELLIOTT
Director, Harris Trust and
Savings Bank

BOYD N. EVERETT
Vice President and Treasurer

CHARLES F. GLORE
Glore, Forgan & Co.

*Continental Casualty Company only

*NORMAN HOAG
Vice President

ARNOLD B. KELLER
Senior Consultant and Director
International Harvester Company

†F. D. LAYTON
President, National Fire Insurance
Company of Hartford

T. ALBERT POTTER
President, Elgin National Watch
Company

†Continental Assurance Company only

†HOWARD C. REEDER
Vice President

*J. M. SMITH
Vice President

R. DOUGLAS STUART
Vice Chairman of the Board
The Quaker Oats Company

STUART J. TEMPLETON
Wilson & McIlvaine

ROY TUCHBREITER
President

The Continental Year Book discloses in greater detail the Companies' operations and financial structure. It will be furnished upon request.

Casualty Insurance

Fidelity and Surety Bonds

Life Insurance

Caverly, Kerr V.-P.s for Entire Group; 12 Others Advance

America Fore Makes Promotions in Home Office Staff

NEW YORK—R. N. Caverly, vice-president of Fidelity & Casualty, has now been made also a vice-president of the fire companies of the America Fore group.

G. L. Kerr is advanced from secretary to vice-president of all companies of the group.

DeMott Belcher, Robert H. Byrnes, Arthur H. Derbyshire, Roderick G. Turner, James D. Culpepper, Alfred V.



R. N. CAVERLY

Holman, and Stephen W. Weymouth are advanced from assistant secretaries of the fire companies, to secretaries.

Henry C. Barkstedt, Cecil F. Mc-



G. L. Kerr



DeMott Belcher

Master, Stanley W. Tebbetts, John M. Van Buren and Herman P. Winter become assistant secretaries of the fire companies.

Mr. Caverly joined F. & C. in 1931 as a vice-president in charge of the claim department. Prior to that he was counsel in charge of metropolitan claims for Globe Indemnity. He got his law degree from University of Minnesota in 1913.

Mr. Kerr joined F. & C. in 1932 as superintendent of the automobile department, was promoted to superintendent of the casualty department in 1934, elected secretary in 1941 and was also

Way Cleared for Enactment of D. C. Casualty Rate Bill

WASHINGTON—Complete agreement has been reached among insurance industry factions upon a series of clarifying amendments to the District of Columbia casualty rating bill passed by the house last year and held up in the Senate D. C. committee. In the process of agreement the amendments have been discussed with Superintendent Jordan.

The Senate committee is expected to take up the matter soon and get the views of Mr. Jordan, and possibly Congressional sponsors of the various bills from which HR 3998 was fashioned, and industry representatives.

Among the factors concerned in recent conferences and negotiations have been representatives Scott (Pa.), Ploesser (Mo.), Simpson (Ill.), Poulson (Cal.), each of whom introduced regulatory bills; North America, casualty, fire and surety interests; and the District of Columbia commissioners.

Amendments now agreed upon, it is believed, without changing the basic structure of the bill, will clarify the intent of Congress, strengthen the measure, and tend to avoid possibility of different interpretations of its provisions.

made secretary of the fire companies in 1946.

Mr. Belcher went with America Fore in 1929 as manager of the general cover department and has been assistant secretary since 1938.

Mr. Byrnes supervises the U. & O. department, Mr. Derbyshire supervises inland marine production countrywide; Mr. Turner and Mr. Culpepper are with the southern department at Atlanta.

Mr. Holman and Mr. Weymouth are with the Pacific department.

Mr. Barkstedt has been manager of the general cover department.

Mr. McMaster has been chief examiner on the coast for Alaska, northern California, Idaho, Nevada, Oregon, Washington and Hawaii.

Mr. Tebbetts has been at the home office since 1937 as executive special agent for the general cover department.

Mr. Van Buren, since 1937, has been Philadelphia manager of the fire companies.

Mr. Winter has been state agent in Ohio since 1925.

AGENCY DEPARTMENT CHANGE

William F. Dooley, vice-president of the fire companies, announces changes in the agency department at the home office.

Secretary LeRoy T. Brown who at present is in charge of New England territory will also take over New York state which was formerly supervised by Secretary Arthur A. Nelson, who recently resigned. Mr. Brown will be assisted by Assistant Secretary J. M. Van Buren.

J. Scott King, secretary, in charge of Pennsylvania, Maryland, West Virginia, District of Columbia and Delaware, will also take over the supervision of New Jersey which was formerly under the direction of Secretary Raymond F. Rieder who has been made assistant to Mr. Dooley.

Mr. King will be assisted by Mr. Tebbetts.

Lehman Moved to Reading

George Lehman, assistant adjuster in the claim department of Travelers at Indianapolis, has been transferred to Reading, Pa., as adjuster in charge.

Accountants Policy Again Improved by American Surety

A revised accountants liability policy, continuous in form, and incorporating legal fraud and predecessor protection, joint insured provisions and an optional discovery period of one or two years, with insurance to individual partners, if the insured is a partnership but the individual partner and not the partnership is sued, with respect to the rendering of partnership services coming within the scope of the policy, is announced by American Surety and New York Casualty. It may be written now in most states.

The schedule of rates is unchanged except that the premium for legal fraud coverage has been included in the basic premium. A condition regarding the basis of premium computation has been deleted from the policy and made a part of the schedule of rates. Also, instead of a deposit premium subject to adjustment at the end of the year on the basis of monthly averages of the number of persons on the staff, the premium is now to be charged on the annual average number of the staff for the previous year and will not be subject to adjustment at the end of the year.

Many Improvements Since '32

Since American Surety commenced writing the line in 1932, the policy and underwriting practices in connection therewith have been developed and improved in a number of respects.

In the present revision, there is given to all insured the option of taking a one or two-year discovery period for an additional premium at the time the policy is terminated. While a two-year discovery period at an additional premium has been available in recent years, it has been limited to cases where the company cancels or refuses to renew.

It is not intended that the accountants policy with legal fraud coverage shall take the place of fidelity bonds.

What Contract Does

The accountants policy agrees to defend in behalf of the insured any suit, even if such suit is groundless, against the insured alleging neglect, error or omission, as outlined, or dishonesty, misrepresentation or fraud, as outlined. It is not intended to insure against claims through dishonesty, misrepresentation or fraud made or committed by the insured or any officer or partner thereof with affirmative dishonesty or actual intent to deceive or defraud.

Under the legal fraud coverage and the defense agreement, however, it is intended to insure against claims and suits resulting by reason of dishonesty, misrepresentation or fraud committed by employees, and by reason of "legal or constructive" fraud (as distinguished from "intentional" fraud) committed by the insured or any partner or officer.

Would Abolish Department

WASHINGTON—Hearings are scheduled to commence Feb. 2 on the Auchincloss bill to reorganize the government of the District of Columbia and to give the franchise to its citizens. Under one provision of the bill the District of Columbia insurance department would be abolished and its work would be assigned to a proposed department of commerce, headed by a commissioner.

Royal-Liverpool in Aviation

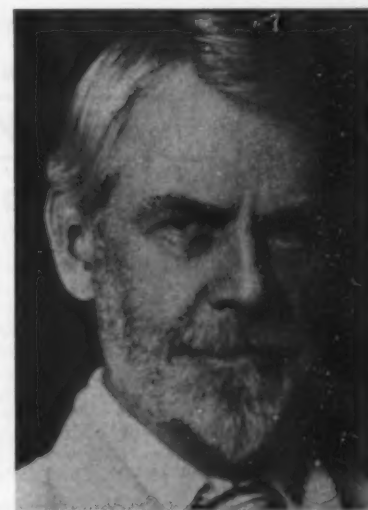
Royal-Liverpool has entered the aviation field in Canada and now is accepting applications for aviation personal accident, aircraft hull and liability.

Laurence Falls to Run Insurance Institute of America

E. R. Hardy, Veteran In- surance Educator, Lays Aside Secretarial Duties

NEW YORK — Edward Roche Hardy, secretary and treasurer of Insurance Institute of America since 1919, is now retiring and becomes secretary emeritus.

After graduating from Boston University, Mr. Hardy became librarian of In-



E. R. HARDY

surance Library Assn. at Boston in 1900. Two years later he joined New York Fire Insurance Exchange and became its manager in 1913.

Secretary from 1909 to 1946

The year Mr. Hardy came to New York Insurance Society of New York was organized and its self-constituted library committee consisted of Robert P. Barbour and Mr. Hardy. Mr. Hardy later became active secretary of that society, serving from 1909 until 1946 when he was given the title of secretary emeritus.

In 1909 Mr. Hardy, representing Insurance Society of New York; Louis A. Tanner, Fire Insurance Club of Chicago; Louis A. Denniston, Insurance Institute of Hartford; D. N. Handy, Insurance Library Assn. of Boston; E. A. Law, Albert A. Pancoast, and H. P. Burke, Fire Insurance Society of Philadelphia, met at Philadelphia and organized Insurance Institute of America. Mr. Hardy was the first secretary, succeeded by J. H. Kenny in 1911 and by B. Richards in 1914. Mr. Hardy became secretary in 1919.

Held D. C. Assn. Post

The year after Mr. Hardy became manager of New York Fire Insurance Exchange he was appointed manager of Underwriters' Assn. of District of Columbia which post he held until 1943.

Mr. Hardy lectured on insurance at New York University from 1905 to 1939. He is today lecturer-emeritus of N.Y.U. He is an honorary fellow in Chartered Insurance Institute of Great Britain.

The new secretary of the Institute

(CONTINUED ON PAGE 18)

Continental Cas. Makes Many Handsome Gains

Assets, surplus and volume of business in the 1947 statements of Continental Casualty and Continental Assurance were the greatest in history.

Underwriting profit of Continental Casualty was \$2,577,007, net investment income was \$1,767,697 and operating profit before income tax was \$4,344,704. After providing \$1,550,000 for income

tax, operating profit was \$2,794,704 as compared with \$1,530,550 in 1946. Net premium writings increased \$9,117,815 to a total of \$64,077,953. The premium reserve went up \$2,708,160.

Assets were \$89,483,669, increase \$12,651,082, including an increase of \$1 million in capital and a net increase of \$2,884,908 in surplus resulting from the sale of 100,000 additional shares. Capital was \$6 million, net surplus \$17,831,676, increase \$4,598,329 and contingency reserve \$6,950,000.

Continental Assurance had \$869,856,136 of life insurance in force. The increase of \$167,546,847 exceeded by nearly \$5 million its previous highest

annual increase of \$162,873,172 made in 1946. Assets increased \$14,828,757 to a total of \$102,611,712. Capital is \$2 million and surplus \$5,840,578, increase \$996,034. General contingency reserve amounted to \$1,140,000 and group contingency reserve was \$1,190,000.

Aetna Casualty Results Excellent Except Auto P. D.

The premium income of Aetna Casualty in 1947 was \$71,036,060, up \$15,945,999. The increase in premium reserve was \$5,206,101. Investment income was \$2,752,666, and there was an underwriting profit of \$104,615.

The results show a great improvement over 1946 and are satisfactory for practically all lines with the exception of automobile property damage, which continues to be unprofitable although it is showing improvement. After adjustment for federal taxes, earnings were \$2,610,403. Surplus is \$29,287,076, increase \$810,399. Contingency reserve was \$5,050,000, down \$750,000.

Assets \$132,457,556, increase \$12,383,040.

The premiums of Automobile were \$35,675,859, up \$7,737,283. Premium reserve was \$4,985,374 higher and the underwriting loss was \$1,106,168.

Automobile received \$250,000 as its participation in the profits of the War Damage Corp. and \$55,000 under the German war claims award.

Surplus is \$8,829,684, down \$86,373. Contingency reserve is down \$350,000 at \$2,850,000. Assets are \$53,238,585, increase \$6,107,014.

Montgomery Heads Ohio Exiles

More than 40 of the 61 members of the Chicago Buckeye Club turned out for the annual dinner and reunion Tuesday at Chicago Yacht Club, this being a demonstration of the potent ties that draw ex-Ohiolans together since this was a subzero night.

Much entertainment was derived from the explanations that were offered by prospective new members of their eligibility for membership—the requisite being that they are now engaged in the insurance business at Chicago but have in the past been employed in Ohio.

Harry L. Grider, western manager of Factory Association, to whom much of the credit goes for welding the organization together, was succeeded as president by V. L. Montgomery, manager of North America. The new first vice-president is Philip Beebe, Hartford Fire; 2nd vice-president Homer Burlingame, Western Adjustment; 3rd vice-president John Rygel, Hanover, and Virgil Souders, Fire Association, was reelected secretary.

Excellent surprise entertainment was provided by C. D. Decker, who during the daylight hours is with the C. W. Sexton agency of Minneapolis, and at night performs feats of magic.

Spencer Heads Auditors

W. H. Spencer of California state compensation insurance fund, was elected president of California Insurance Auditors Assn. at the annual meeting. First vice-president is M. J. Hebor, National Automobile; second vice-president R. H. Judge, Fidelity & Casualty; secretary, A. C. Lewis, Hartford Accident,

and treasurer, L. V. Carroll, Lumbermens Mutual Casualty.

Before and After Picture of RFC Borrowers

Superintendent Dineen of New York, in his letter favoring legislation to restore to Reconstruction Finance Corp. the right to extend aid to insurers via the preferred stock route, set forth an interesting before and after statement of five general writing casualty insurers which obtained RFC loans of \$42,975,000, all of which has been repaid. He showed that these five companies have assets now nearly three times what they possessed at the time they made the loan, the present figure being \$315,996,000 and the earlier figure \$109,783,000.

Policyholders surplus increased about 7½ times, now amounting to \$82,278,000 as against \$11,368,000. Premiums written were something less than three times greater, being \$181,509,000 as against \$66,384,000. The annual payroll of these companies at \$21,258,000 is about double what it was at the time of the loan and they have 8,833 employees as against 6,509.

Mr. Dineen commented that the merit of preserving these insurers in sound condition is self-evident. They remain as active units in the private enterprise system, giving profitable employment to capital and providing jobs for thousands, and render an essential service to American industry.

Coastal Cover Clarified

In reporting the coverage in the Jan. 15 edition on the Coastal Airlines plane enroute from Newark to Puerto Rico that crashed near Savannah, Ga., one of the insurers was identified as "American F. & C." This was intended to indicate American Fidelity & Casualty of Richmond. It did not refer to American Fire & Casualty of Orlando, Fla., which limits its aviation underwriting to private business and pleasure aircraft, and does not insure airlines or charter planes.

Ill. Federation to Meet

The Insurance Federation of Illinois annual meeting will be held in LaSalle hotel, Chicago, March 3. The program soon will be announced. At a meeting of officers D. K. Weiser, Aetna Casualty, president, named a nominating committee of which Harry H. Fuller, Zurich head office, Chicago, is chairman.

Forms St. Paul Unit

J. H. McCormick, formerly manager at Fort Wayne, has been placed in charge of a new St. Paul branch of Auto-Owners in the Pioneer building. Byron W. Fleming becomes St. Paul claims manager, and Ralph E. Moulton, underwriting manager. Mr. McCormick has been with Auto-Owners since 1938.

Merger Is Consummated

Fireman's Fund Indemnity and Western National Indemnity have completed their consolidation, and agents of Western National have been appointed by Fireman's Fund. Fireman's Fund is maintaining the charter of Western National.

Am. Auto Ups Dividend

American Automobile has declared a quarterly dividend of 30 cents a share. This compares with a 20 cent quarterly rate that has been in effect.

Vote Special Dividend

Directors of Ky. Central Life & Accident voted a \$1 special dividend in addition to the regular \$3 dividend on capital stock.

Don't shy away from Bonds



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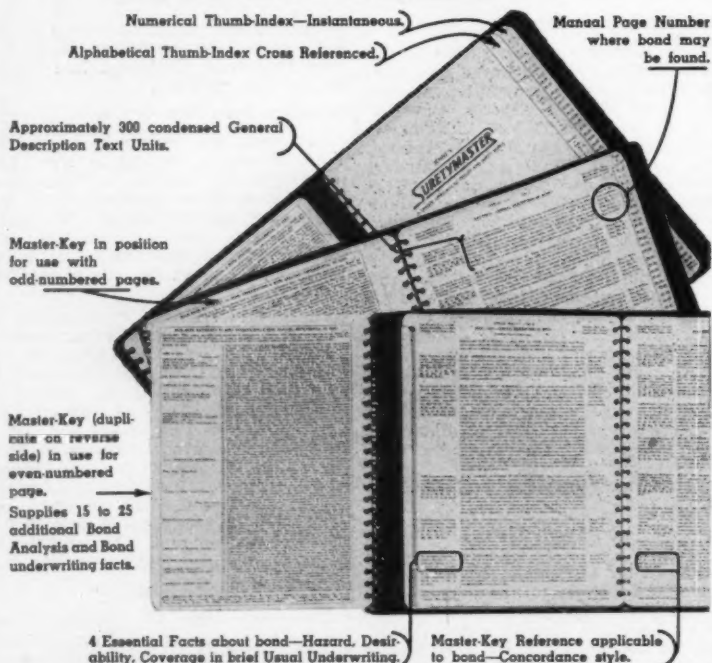
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ATTENTION TRAINEE VETERANS! If you are on a training plan under the G. I. Bill, or Rehabilitation Act, with an agency or company, you are entitled to a Suretymaster as a valuable educational aid to speed your qualification. Such orders are now being received. Send for folder, and contact Training Officer for purchase approval.

CHANGES

More Promotions Made by F. & D.

Fidelity & Deposit has announced additional promotions in the field and home office staffs:

Harry R. C. Hickey, manager in Brooklyn since 1929, has been appointed resident vice-president, succeeding the late Frank V. Kelly. Prior to going to Brooklyn, Mr. Hickey had served for six years as manager of the judicial department in Baltimore and had previously been at Kansas City. He has been with F. & D. since 1901.

Arnold S. Kirchhoff, manager in New Orleans since 1932, has been appointed resident vice-president there. Mr. Kirchhoff has been with the company for 22 years and before going to New Orleans had been at Chicago.

Edward J. Gorman, assistant manager in New York since 1939, has been promoted to associate manager. Mr. Gorman joined F. & D. in New York in 1935.

Thomas N. Ferciot, Jr., assistant secretary in the agency department, has been advanced to assistant manager. He is a graduate of the University of Maryland law school and has been in the agency department since 1928.

Francis X. Linsenmeyer, manager of the judicial department at New York, has been advanced to assistant manager of the office.

W. S. Moore, Jr., special agent in Houston, has been appointed assistant manager there.

Hartford Assigns Benedict

James Benedict has been appointed special agent for Hartford Accident at Seattle for western Washington. A native of Centralia, Wash., he entered the navy on graduation from college and on his return joined Hartford. His father and two brothers are in the agency business.

Flynn Named in New York

John S. Flynn has been appointed fidelity and surety field representative for Employers Liability in eastern New York with headquarters at Albany.

Mr. Flynn has been with New Amsterdam Casualty and before that was manager of the bonding firm of Ryan & Graves at Albany.

E. L. Kidder Promoted

American Casualty has promoted E. L. Kidder to supervising underwriter in the southeastern department at Atlanta.

Mr. Kidder is a graduate of Southeastern Louisiana College and for the past two years has been an assistant underwriter in the home office. Prior to joining American Casualty he was a chief petty officer in the navy.

Open Oklahoma City Office

American Casualty has opened a service office in the Colcord building, Oklahoma City, with A. E. Brookes as manager. Mr. Brookes for the past four years, has been field representative in Pennsylvania. Before that, he was for many years with Zurich.

Hause K. C. Bond Head

Frank M. Hause has been appointed bond manager at Kansas City for Maryland Casualty. He has been an insurance man 24 years, most recently being located at Buffalo.

Mr. Hause succeeds A. J. D. Peterson, who was recently retired from active duty for reasons of health.

Oakes to Toledo Post

Frank L. Oakes, Jr., of Hartford has joined the Picton-Cavanaugh agency of Toledo in the casualty department.

ACCIDENT AND HEALTH

Plans Completed for Florida Sales Congress

The Florida Assn. of Accident & Health Underwriters now has arranged the program for its state sales congress to be held at Tampa, Feb. 21. Headquarters will be at the Floridian hotel. Registration will begin Feb. 20, and there will be a cocktail party that evening.

On the speaking program are Dr. E. C. Nance, president Tampa university; Mrs. Angie NeSmith, credit manager of Tampa's municipal hospital; Dr. C. F. Chunn, Tampa physician; Seldon Waldo, immediate past president, U. S. Junior Chamber of Commerce; James Powell, vice-president Provident Life & Accident, and John Hammer, district manager at Tampa of Massachusetts Mutual Life. Commissioner Larson of Florida has been invited to speak.

Sterling Enters Four More States

Sterling of Chicago has entered California, Michigan, Virginia and West Virginia. It will name general agents soon.

Blue Shield Medical Plan to Operate in Chicago

Blue Shield plan for medical care will start operations in Chicago late this spring.

The plan has been organized and sponsored by the Chicago Medical Society and the plan is now in final process of organization and approval by the insurance department.

Blue Shield will operate as a companion plan to Chicago Blue Cross. Under the contract, a physician agrees to accept a fixed fee from the Blue Shield for specified medical and surgical services. This fee will be paid direct to the physician. For families in the lower income groups, it is intended that the patient will pay no further charges. For higher income groups, the physician will bill the patient for any difference between the fixed fee for a specific service and the figure he ordinarily would charge. Fixed fees have not been announced.

Blue Shield is legally independent of Blue Cross, but at first membership

will be open only to employees of firms already enrolled in Blue Cross. Rates will be \$1 per month for individuals and \$2.50 per month for families.

Add 6% to Hospital Payment

Associated Hospital Service of Philadelphia, Blue Cross, in 1948, is adding 6% to its semi-monthly payments to member hospitals. Rates to subscribers will not be increased, the money will be drawn from surplus. Philadelphia Blue Cross operated at a loss of approximately \$183,000 for 1947 and will be very close to even for 1948.

The action will mean approximately \$600,000 additional income to hospitals.

Form Akron A. & H. Unit

AKRON—A group interested in setting up a local A. & H. association elected as temporary officers: H. E. Harris, president; A. S. Goldstein, secretary, and for directors A. E. Marcus, C. H. Allenbaugh and Walter Deuber were nominated.

William Dignan, Cincinnati, president of the state association, Charles Pugh, Loyal Protective Life, Columbus, extension committee chairman of the National association and H. H. Nuna-



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A. and H. INSURANCE* . . Every form of Accident and Sickness coverage—including Franchise plans for five or more employees. Non-Cancellable Disability policies. Monthly Premium plans. Special Risk coverages.

HOSPITAL INSURANCE* . . Issued on Individual, Family Group (ages 3 months to 80 years) and Franchise plans. Hospital Room and Board, Miscellaneous Hospital Extras, Surgeon's Fees and Medical Care.

LIFE INSURANCE* . . All modern forms of Guaranteed Rate Ordinary from birth to age 65. Substandard, Salary Savings, Annuities, and Non-Cancellable Disability combined with wide choice of Life plans.

* All written on Group Plans (minimum of 25 employees) and on special forms designed for Railroad Employees.



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maker, Cleveland, represented the state association at the meeting in an advisory capacity to aid establishment of the Akron unit.

Defer Building Dedication

Dedication of the new home office building of North American Life & Casualty, originally set for February has been deferred to July 1-3.

Interstate Business Men's Accident has been admitted to Oregon.

New Wash. Natl. Directors

Elmer E. Richards, treasurer of Studebaker Corp.; Harry J. Williams, vice-president of Wilson & Co., and Harry L. Wells, vice-president and business manager of Northwestern University, have been elected to the board of Washington National. Also added were G. Preston Kendall, assistant treasurer, and Norris A. Pitt, auditor.

Subrogation Is Discussed

LOS ANGELES — Lowell Dryden, attorney, discussed subrogation quotations before Casualty Insurance Adjusters Assn. of Southern California. He confined his remarks entirely to the case of Pacific Indemnity Co., Standard Oil Co. vs. Owl Truck & Construction Co. He held there is no right of subrogation to the insurer where assured is negligent.

June 5 was set for the annual picnic.

Phoenix Adjusters Elect

B. F. Hunter, Arizona Adjustment Agency, is the new president of Casualty Adjusters Assn. of Phoenix. Vice-president is E. R. Livermore, E. R. Livermore Co., and Carl Groce, Employers group, is secretary-treasurer.

The association held a golf tournament and dinner last month and plans to make the event an annual affair.

Brady President of Merchants of N. Y.

NEW YORK—Merchants Fire of New York has elected Walter F. Brady, formerly executive vice-president, as president to succeed Alfred A. Moser, president since 1930.

T. J. O'Malley advances from secretary to vice-president and secretary; E. A. Jones from assistant secretary to secretary; C. E. Anderson and W. H. Keller to assistant secretaries, and C. P. Winter to auditor. The promotions apply to Merchants Indemnity and Washington Assurance except Mr. Brady remains executive vice-president of the latter.

Mr. Brady joined Merchants in 1916 and advanced to executive vice-president in 1942. His grand uncle, W. W. Brady, mayor of New York in 1848, was the first president of Continental Fire.

Mr. O'Malley heads the loss departments of the three companies, succeeding Vice-president G. A. Biemen, who has resigned because of all health though continuing as a consultant. Mr. O'Malley joined the group in 1936.

Mr. Jones has devoted his time since 1918 to brokerage. Mr. Anderson was with Bankers Indemnity till he joined Merchants in 1945 to supervise auto and casualty. Mr. Keller assists Vice-president G. F. Warch, head of the eastern department and has been with the group since 1931. Mr. Winter joined Merchants in 1945. The title of auditor has been revived after 25 years.

New Farm Burglary Cover

Farmers will be benefited shortly by a revision in the burglary, theft and robbery manual, which will allow coverage for livestock on an openstock policy. National Bureau of Casualty Underwriters has formulated a rate for livestock, using

trade group 6, and will announce the revision soon.

The coinsurance limits will vary from 40 to 60%, depending on the area in which the risk is located. Farmers and ranchers will thus be able to get coverage for theft of their livestock, the value of which has increased greatly in recent years. Premises will apparently be construed as that area of the farm bounded by a fence.

The coverage has been written by a number of non-bureau companies for a number of years. One company wrote it at the rate of \$15 per \$1,000 with a minimum premium of \$40 and a 90% coinsurance limit. Over a period of four years the loss ratio was only 25%.

The coinsurance percentage is fairly high because the companies want adequate insurance to value. The coverage will apparently apply also to stray animals.

Malone Tells A. & H. Plans

Commissioner James F. Malone, Jr., Pennsylvania, was speaker at the January meeting of the Accident & Health Assn. of Philadelphia. Mr. Malone gave a frank talk on his plans to better the insurance business in Pennsylvania, especially as applying to A. & H.

He said he will insist that companies draw clear and understandable contracts, and that all technical and medical terms be reduced to language which policyholders can easily understand. The association has a responsibility in assisting the department in eliminating "chiseling" companies and collecting their claims adjustments, he declared.

The Pennsylvania department receives more complaints on A. & H. than from all other types of insurance combined, the commissioner reported. A. & H. public relations are poor and he advised the group to concentrate on improving its prestige.

Five members of the department attended with Mr. Malone: Ralph H. Alexander, deputy commissioner; O. A. Kottler, Charles S. Lazarus, George B. Elliott, and C. P. Harvey.

Stanley Cowman, president state Assn. of Agents & Brokers; H. W. Teamer, secretary-manager of Insurance Federation of Pennsylvania also were on hand. There were 110 persons present.

Great American Indemnity, through Wren & Van Alen, will execute the bond on improvement of two miles of Olympic boulevard in Los Angeles on which the contractors bid \$884,691.

PERSONALS

Joseph I. Johnson, assistant Chicago manager of Aetna Casualty, with Mrs. Johnson, and their son, Robert, are making a month's motor vacation trip through Texas and Mexico.

Alex. Clark, bonding manager of the Conkling, Price & Webb agency, Chicago, spent the past week end in Los Angeles visiting the southern California branch office of Fidelity & Deposit.

DEATHS

Dr. Fred T. Murphy, a director of Standard Accident, died of pneumonia at 75. He was a Detroit surgeon and business man.

Charles Cohen, 54, since 1940 with Mutual Benefit Health & Accident at Indianapolis, died at a hospital at Kokomo, Ind.

William Butler, 71, vice-president, general counsel and a trustee of U. S. Casualty, died in his home in Upper Montclair, N. J. For 15 years he was president of New York Metropolitan Claim Conference and also was a member of the arbitration board of Assn. of Casualty & Surety Companies. He was a director of New Amsterdam Casualty and was a consultant for Interstate Commerce Commission in drawing up uniform traffic safety laws.

Credit Insurer Offers Valuable Tax Booklet

American Credit Indemnity has issued a tax booklet devoted to the relationship of federal income taxes to bad debts and bad debt reserves. It consists of a series of questions submitted by business executives and answers prepared by Ludwig B. Prosnitz of Prosnitz, Anderson & Co., certified public accountants, New York.

The booklet may be obtained by addressing requests to American Credit Indemnity, First National Bank building, Baltimore.

Confer on Keystone Cases

HARRISBURG — Commissioner Malone will confer with W. S. Rahauer, Allegheny county district attorney at Pittsburgh Feb. 2 to map plans for the criminal prosecution of A. J. O'Leary, N. P. Kann, and E. J. Kann, former officials of the defunct Keystone Mutual Casualty.

All department examiners who have done any work on the company's records also will attend the conference. Malone has insisted that the cases of the three officials be presented to the grand jury.

Win \$3,381,000 Bond Award

LOS ANGELES—Bressi & Bevanda Constructors has been awarded the contract by the U. S. engineers for lining 2-1/3 miles of the Los Angeles river with concrete at a bid of \$3,381,174. Hartford Accident will execute the bond through its Los Angeles office.

Lester S. Front, Liberty Mutual, spoke on "Embezzlement—Its Control Through Accounting" at a meeting of Milwaukee Institute of Internal Auditors.



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COMPANIES

New Wash. Natl. Directors

Elmer E. Richards, treasurer of Studebaker Corp.; Harry J. Williams, vice-president of Wilson & Co., and Harry L. Wells, vice-president and business manager of Northwestern University, have been elected to the board of Washington National. Also added were G. Preston Kendall, assistant treasurer, and Norris A. Pitt, auditor.

Angelina Casualty—Assets, \$414,394; inc., \$136,817; loss res., \$160,479; capital, \$200,000; surplus, \$41,982; inc., \$35,565. Experience:

	Net Premiums	Losses Paid
Liability	\$ 2,534	\$ 232
Workmen's comp.	240,893	86,652
Total	\$ 243,427	\$ 86,884

Commercial Travelers Mutual Acc. Assn.—Assets, \$3,006,445; inc., \$542,595; unearned prem., \$1,241,326; loss res., \$1,596,544; surplus, \$4,952,859; inc., \$146,143. Experience:

	Net Premiums	Losses Paid
A. & H.	\$4,482,172	\$2,750,263
Home Mutual, Inc. —Assets, \$2,262,206; inc., \$285,888; unearned prem., \$1,195,952; loss res., \$480,656; surplus, \$394,801; inc., \$79,142. Experience:		
Dwelling fire, etc.	52,224	37,604
Auto liability	659,209	253,142
Auto prop. damage	617,420	269,168
Auto collision	607,153	393,970
Other auto	352,993	178,746
Cargo & towing	35,566	9,928
Total	\$2,324,562	\$1,142,558

Illinois National Casualty—Assets, \$2,613,428; inc., \$386,364; unearned prem., \$1,071,268; loss res., \$645,862; capital, \$210,000; surplus, \$452,866; inc., \$47,866. Experience:

	Net Premiums	Losses Paid
Auto medical	88,916	42,986
Auto liability	737,554	290,892
Other liability	11,720	176
Other medical	5,996	1,232
Travel accident	5,500	736
Auto prop. damage	561,989	220,528
Auto collision	725,377	334,257
Other P.D. and coll.	3,166	459
Other auto	331,772	112,409
Total	\$2,471,990	\$1,003,675

Kansas Bankers Surety—Assets, \$721,121; inc., \$10,389; unearned prem., \$86,008; loss res., \$2,556; capital, \$400,000; surplus, \$158,507; inc., \$3,818. Experience:

	Net Premiums	Losses Paid
Fidelity	\$ 1,271	.....
Blanket bonds	75,322	\$ 4,886
Safe dep. liab.	761	.....
Total	\$ 77,354	\$ 4,886

Massachusetts Plate Glass—Assets, \$562,579; inc., \$46,147; unearned prem., \$199,355; loss res., \$7,500; capital, \$200,000; surplus, \$106,607; dec., \$49,500. Experience:

	Net Premiums	Losses Paid
Glass	\$ 229,689	\$ 71,748

Minnesota Commercial Men's—Assets, \$435,499; inc., \$8,159; unearned prem., \$40,965; loss res., \$28,746; reserve for taxes, \$5,348; surplus, \$360,441; dec., \$1,510. Experience:

	Net Premiums	Losses Paid
Accident	\$ 108,085	\$ 58,250
Health	173,662	115,943
Hospitalization	23,297	14,956
Total	\$ 305,044	\$ 189,149

National Travelers Casualty—Assets, \$395,413; inc., \$186,102; unearned prem., \$222,522; loss res., \$144,852; surplus, \$352,912; inc., \$13,959. Experience:

	Net Premiums	Losses Paid
Accident	\$ 529,589	\$ 117,183

	Net Premiums	Losses Paid
Health	723,705	161,590
Non can. A. & H.	47,564	14,374
Total	\$1,300,858	\$ 293,147

Pioneer—Assets, \$854,232; inc., \$1,294; unearned prem., \$18,812; loss res., \$2,068; capital, \$150,000; surplus, \$511,041; inc., \$4,905. Experience:

	Net Premiums	Losses Paid
A. & H.	\$ 52,650	\$ 13,285

N. Y. Bank Officer Admits Taking \$21,337 Since 1943

H. W. Green, assistant secretary of the Bank of New York, has pleaded guilty to an indictment charging embezzlement of \$21,337 since 1943. He is quoted as stating that he had trouble making ends meet on his \$7,000 a year salary. Fidelity & Casualty and Indemnity of North America have concurrent bonds on the bank.

Three Coast Changes for Continental Casualty

Henry Handschuch has been appointed manager of accident, health and hospitalization in the Pacific department of Continental Casualty. Mr. Handschuch formerly was in the midtown New York city office of the company and was transferred to Los Angeles to take over the new work.

Frank V. McCullough has been named resident supervisor of special risks, aviation accident division. Mr. McCullough has been in the home office.

Stewart S. Rough has been appointed special agent. He formerly was with Fidelity & Deposit at Los Angeles in a similar capacity.

Vice-presidents J. M. Smith and Norman Hoag of the Continental Casualty and Howard S. Reeder, vice-president of Continental Assurance, spent the past week in Los Angeles on a routine visit. Ellis H. Schmidt is vice-president of the Pacific department of the companies.

New Edition of Surety-Master Quick Bond Reference

Donald D. Jenne, author and publisher of "Jenne's Surety-master," has



D. D. JENNE

resigned as manager of the fidelity and surety department of a midwest company to devote his full time to the development of business on his publication.

The Surety-master, which is a quick reference work on bonding, is now used by representatives of 48 companies and by agents throughout the country.

In the most recent edition several useful features have been added to the book, which was first published in 1939, and it has been rearranged and put out on a new principle which makes the essential facts on hundreds of bonds almost instantly available. The device is designed to tell a reader quickly and specifically what to do in practically every type of bond case and there is a

loose-leaf service which backs up the original information.

The new edition has expanded the service virtually into an encyclopedia of surety information by combining the master disc with condensed section units and other material. A complete analysis of each bond, abridged condition clauses and various surety usages are included.

The key is now printed on both sides of the cardboard flap and mounted on a loose-leaf metal binder attached to the inside front cover. The binder will accommodate an overflow of pages which can be set up under the key when expansion spaces in the book are filled.

Seek Concerted Action on Brokers' Commissions

NEW YORK—Members of the broker associations' joint council met at Albany Jan. 28, with the joint legislative committee on insurance rates and regulation to recommend state legislation which will permit concerted action to set producers' commissions.

The group discussed the advisability of a law which would permit agents and brokers, or agents, brokers and companies, to establish an agreement and get some form of stabilized commission.

Reviewing of these commissions by the superintendent of insurance was also discussed.

The brokers apparently feel government regulation would be better than unilateral action on the part of company groups in setting acquisition costs. George F. Sullivan, president of General Brokers Assn., heads the committee.

Coast Bond Shapes Up

LOS ANGELES—L. E. Dixon Co., San Gabriel, Cal., has been awarded the contract by Metropolitan Water District of Southern California, at its bid of \$2,592,400, for the construction of facilities for expansion of the water softening and filtration plant for the distributing system of the Colorado River aqueduct at La Verne, Cal. Fidelity & Deposit will execute the bond.

Indiana Pond Initiates

Nine goslings were initiated at a dinner meeting of Indiana Blue Goose in Indianapolis. Eugene Gallagher, Planet, a guest, paid tribute to Ralph W. Hu-kill, former most loyal grand gander, who died recently and often was a guest of the Indiana pond.



It's Teamwork That Wins

A dash down an icy mountainside in a racing bob-sled calls for perfect teamwork. Insurance Agents need a team behind them if they are to realize the fullest share of business. Hawkeye-Security Agents have such a team backing them up. Underwriting, Claim, Production . . . yes, all departments . . . work together as smoothly coordinated team to help Agents boost their profits. Day in and day out . . . the trend among the better Agents is to . . .

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FIELD MAN WANTED

The advancement of certain of our personnel has left an opening for a field man in the Detroit, Michigan, area. Here is an opportunity for establishing your future with an alert, progressive, general casualty company, well-known throughout the middle west.

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L. E. Falls New Secretary of Insurance Institute

(CONTINUED FROM PAGE 13)

will be Laurence E. Falls, former vice-president of American Ins. Co. of Newark, who for many years was one of the most popular men on the platform before insurance audiences.

Mr. Falls, a native of Mississippi, started with the old Western Reserve of Cleveland at the head office in 1907. Later he operated the Falls & Gilsdorf agency at Cleveland. His connection with American dated from 1923 when he became Ohio special agent.



L. E. Falls

Western Adjustment Reports on Record Year

(CONTINUED FROM PAGE 1)

creased slightly recently, the price of cars has not come down appreciably.

Repair work has speeded up generally. The report quotes a national automobile publication which states that repairing of automobiles during 1947, including parts, service and labor, ran about \$7 billion.

There was an increase in returns from

the salvage and subrogation department. Recovery on automobiles was 69%, up 2%, and amounted to \$776,353. On fire the recovery was 46% on 734 cases, and returned \$389,618. Inland marine subrogation on 408 cases gave a return of \$83,992. The recoveries thus totaled \$1,250,027, an increase of \$388,000 over 1946 and an overall recovery percentage of 58. Salvage returns in all departments ran 3,881 cases, and aggregated \$2,305,875 as against \$1,960,446 in 1946.

Marine Adjustments Up

A substantial increase in business for the inland marine, aviation and ocean marine departments was recorded. Inland marine was up 20% and aviation and wet marine together jumped 300%.

No particular class of inland marine indicated an exceptionally bad loss frequency and the report stated that a larger number of loss references resulted probably from a more general writing of the class. Aviation was decidedly unfavorable, both from the private and commercial standpoint.

To cope with the necessary expansion in the head office, Western Adjustment has established a training school for junior adjusters, and appointed a full-time educational director.

Ideas Are Given as to "Kinds of Insurance"

(CONTINUED FROM PAGE 5)

chased on a home from the shack to the mansion is explained. We offer this audit to you as simple plan for putting all of the insurable hazards for home and a professional man in more or less of a show case.

"When it comes to business, likewise we have heard that there are over 600 different types. Recently the writer designed what is known as our Pictorial Insurance Audit, copy of which you will find attached. Of course in this particular audit one would delete the coverages not applicable to the particular risk.

"I could not refrain from presenting both of these ideas to you in the hope that a simple comprehensive and exhaustive statement of the kinds of insurance could be prepared. At least we think we are on the right track. What do you think?"

Travelers Names Four New Assistant Secretaries

Seymour E. Smith and E. Dayle Babcock have been named assistant secretaries of the compensation and liability department of Travelers and Ira J. Hemingway, Jr., and Bertil W. Krohn were appointed assistant secretaries of Travelers Indemnity.

Mr. Hemingway goes to the home office from Washington, D. C., where he has been assistant manager.

Worth with Peerless Casualty

Robert W. Worth has joined Peerless Casualty at Chicago as office manager. He also will do auditing and accounting work on reinsurance.

Mr. Worth started in the business with Lumbermens Mutual Casualty in New York, and later went with General Accident and Employers Mutual Casualty. During the war he was in Arabia with an oil company. Most recently, he was agent for the receiver of Mutual Commerce Casualty.

Gelder Succeeds Kellogg

American has appointed Royal W. Gelder as special agent for the Utah and southern Idaho field with headquarters at Salt Lake City. He succeeds Larsh Kellogg, transferred to California.

James E. Roberts, local agent of Tonkawa, Okla., made an insurance visit to Chicago this week, this being his first trip to that city and his first encounter with zero weather.

U. S. A. I. G. Has Annual Air Accident Policy

U. S. Aviation Underwriters has brought out a new annual air accident policy for individuals or groups.

The basic policy covers passages on all scheduled U. S. airlines and several foreign airlines. The annual premium on the individual basis is \$1.20 per \$1,000, and is \$1.10 per \$1,000 on group. The first \$500 of medical is \$2 for individuals and each additional \$100 is 20 cents. For group the rates for medical are \$1.80 and 20 cents.

There is an extended policy covering all airlines and private planes of U. S. registry for \$3 individual and \$2.70 group. A pilot accident policy covers student, private and commercial pilots in all U. S. registered planes for \$5 on individuals or groups.

A special risk coverage for unusual or extra-hazardous flights is specifically rated.

N. Y. Surety Managers Will Extend Public Relations

Measures for extending public relations activities were adopted by the Surety Managers' Assn. of the City of New York at its January meeting.

G. W. Crist, Jr., Fidelity & Deposit; James Henry, Travelers Indemnity, and W. A. Edgar, U.S.F.&G., were appointed to the executive committee. Martin W. Lewis, general manager of the Surety Assn. of America, spoke.

Gordon San Francisco Visitor

Harold R. Gordon, managing director of the Health & Accident Underwriters Conference, spent Jan. 19 and 20 in San Francisco checking on arrangements for the annual convention being held in that city May 10-13. He conferred with George W. Kemper, Fireman's Fund Indemnity, and president of the conference, and with H. J. Stewart, West Coast Life, chairman of the program committee.

File Surety Short Rate Table

The Surety Assn. of America has filed the short rate table in various states for voluntary use as of Feb. 15 and mandatory use May 1.

Ask Injunction on New Ill. Law

Rose Hill Cemetery of Chicago has filed an injunction suit to restrain the Illinois state auditor of public accounts from requiring it to comply with the new Illinois law requiring care funds of cemeteries to become licensed and supply a bond.

The effective date of the law was Jan. 15, but only a minority of cemeteries have complied. The injunction suit by Rose Hill Cemetery probably will be a test case on the law, and it is being watched with interest by bondmen. The Surety Underwriters Assn. of Chicago has appointed a committee, with Edmond Madden, Maryland Casualty, to

study the problem, and that group will file with the state auditor some suggestions which they believe will help make the law acceptable.

\$300,000 New Orleans Loss

NEW ORLEANS—Fire destroyed a three story brick building at 314-32 Chartres street here with an estimated loss of \$300,000. The building housed the Crescent Leather Co., N. O. Druggists Supply Co., Jay Cee Pants Co. and N. O. Envelope Co. In this and other blazes firemen were hampered by low water pressure, due to the fact that water taps were turned on in most homes of the city due to freezing weather.

Compliment Ellery Allyn

HARTFORD — The Connecticut Field Club meeting Feb. 2 is "Commissioner's Night," complimenting W. Ellery Allyn, Connecticut commissioner and members of his staff.

Big Freight Terminal Loss

Insurance loss of approximately \$325,000 will result from the fire at the Decatur freight terminal, the largest freight depot in Indianapolis. The inland marine loss will be total to insurance of \$100,000, while contents will hit about \$150,000. The building is estimated at \$75,000 loss. The building and contents losses are not total and are fully protected by insurance, but the inland marine will run above the coverage. Western Adjustment is handling the loss.

Arkansas City Board Elects

New officers of the Arkansas City Insurance Board are Kenneth Ross of Kenneth Ross & Co., president, succeeding Ed. Crane, and R. P. Guyot, Anderson-Guyot agency, secretary-treasurer.

Big Fire at York, Neb.

YORK, NEBR. — Fire which destroyed the Montgomery Ward and Dean & Co. stores here Jan. 19 caused damage estimated at from \$250,000 to \$300,000. The Montgomery Ward building was gutted and stock destroyed.

Jersey Field Club Meets

New Jersey Field Club has elected C. P. Carlson, Automobile, as president; C. A. Fortman, Fireman's Fund, vice-president; Walter D. Sheldon, Niagara, secretary; Joseph A. Reid, New York Underwriters, treasurer.

Fred T. McOmber, 80, dean of local agents at Ann Arbor, Mich., died at his home. He had finished his 54th year in business last Dec. 1. He was tendered a testimonial dinner in 1943, when he completed a half century in the agency field. A son, Frederick N., is active in the agency.

WANT ADS

INSURANCE ACCOUNTANT

Experienced young casualty accountant qualified to assume management of accounting and statistical department of mid-western mutual casualty company, writing \$2,000,000. If you have the experience, are under 45 and free to move, this is an exceptional opportunity. Give full details. Address O-57, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CLAIMS EXAMINER WANTED

If you have had considerable claim supervisory or examining experience and would be interested in joining a leading nation-wide casualty company at its home office in the Middle West, as claims examiner, write O-61, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill. Please give details of education and experience. Your present employer will not be contacted.

YOUNG MEN

with insurance and accounting experience by prominent insurance organization for foreign service. Write stating age, qualifications, and salary desired to National Underwriter Co., AB-57, Room 1103, 99 John St., New York City.

WANTED

Compensation and Liability Underwriter for Chicago branch office. Excellent opportunity for right man. Also Casualty Claim Adjuster. Must have car. Good opportunity for advancement. Address O-66, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

Casualty man with 18 years experience in Underwriting and Field work, available for responsible position with Multiple Line Casualty company. Excellent reference. Address O-58, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.



INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Mich. Agents Association May Take Group Cover

Howard Huttenlocher, president Michigan Assn. of Insurance Agents, has suggested to the membership that the constitution be amended to make group insurance coverage under an association policy available to agency employees. This will come up at the mid-year convention at Detroit Feb. 25-27.

More Miller Case Delays

MINNEAPOLIS—It appears now that it will be early summer at the earliest before the state supreme court decides the suit of J. T. Miller against Insurance Agents Assn., Minneapolis, in which Mr. Miller charges conspiracy, restraint of trade and violation of state laws in rate making.

The local board won its case in the lower court and Miller appealed. Recently his attorneys asked for and received an extension of time for filing their records and briefs in the higher court. The extension is until the first week in February. Then the defendants have 30 days to file a reply brief and oral arguments will not be made until April or May.

Wis. Mutual Changes Name

State Farm Mutual of Madison, Wis., will change its name to Farmers Mutual Insurance Co. of Wisconsin. The company plans to expand operations to include non-farm property fire. It will be more closely aligned with Farmers Mutual Auto of Madison, and the two will be known as the Farmers Mutuals of Madison.

Both premium income and claim adjustments of Farmers Mutual Auto set all-time highs in 1947. Premium income reached \$7,500,000 with 35,000 claims settled and a "far from satisfactory" loss experience reported.

Mutuals Open New Office

Federated Mutuals has opened an office at 305 Rand tower, Minneapolis, with A. F. Dahlheim as branch manager. He formerly was with Mill Mutuals. Working with him are William C. Gimmedstad and Richard M. Campbell in Minneapolis and W. T. Mueller and D. L. Snook in St. Paul.

Wisconsin Assn. Doings

MILWAUKEE—The N.A.I.A. film, "Your Best Policy," is being shown in Wisconsin cities under arrangements made by Urban Krier, executive secretary Wisconsin Assn. of Insurance Agents. Mr. Krier has appeared this month at Monroe; Manitowoc, where Norman Nardin of the Fire Insurance Rating Bureau also spoke, and at Waukesha, where a new county board is being organized. John Parson was named temporary chairman and another meeting of the Waukesha agents will be held shortly. The film was shown at Beaver Dam, and will go to Appleton Feb. 2 and Oshkosh Feb. 3.

Wis. Federation Elects

MILWAUKEE—Harold Shier, Reitan-Lerdahl & Co., Madison, was re-elected president of the Wisconsin Federation of Insurance Agents at the annual meeting of the mutual agent group here. G. E. Possin, Waupun, was named vice-president, and Harold P. Otten, Milwaukee, was re-elected secretary-treasurer.

Plans were discussed to cooperate with the Wisconsin 1752 Club and the Wisconsin Federation of Mutual Insur-

ance Companies in conducting a series of regional meetings throughout the state in May.

Duel Seeks Separation

MADISON—Separation of the fire marshal's office from the insurance department by an amendment to the Wisconsin insurance statutes has been proposed by Commissioner Duel to the legislative council. Since 1911 the commissioner has also been fire marshal. Mr. Duel maintains that it is no more logical for the insurance department to investigate and prosecute arson cases than it would be for the state banking department to apprehend and prosecute bank robbers.

Minn. Farm Mutuals Elect

ST. PAUL—Frank Powers of Mora is the new president of State Assn. of Farmers Mutual Insurance Companies; Albert J. Nelson, Swanville, is vice-president; A. E. Anderson, Cottonwood, secretary, and Howard Whalen, Stillwater, treasurer. The annual meeting was held here.

Fremont Board Elects

FREMONT, NEB.—Vern L. Johnson was re-elected president of the Fremont Board of Insurance Underwriters at the annual meeting. Walter T. Peterson was chosen vice-president and Les Christensen renamed secretary.

Opens Lawton Office

H. C. Seitz Adjusters, Inc., of Oklahoma City, has opened offices in the Koehler building, Lawton, Okla., with Sharman Owsley as manager.

Dill Ft. Wayne President

Clifford Dill has been elected president of Fort Wayne Assn. of Insurance Agents, succeeding David Hostetter. Joseph Hoffman is vice-president and board chairman, Raymond Hawver, treasurer, and Irma Hartman secretary.

Hold Mich. Rallies

Well-attended meetings of local boards at Benton Harbor-St. Joseph, and Muskegon were addressed by Howard Huttenlocher, Pontiac, state association president, and Waldo O. Hildebrand, secretary-manager.

D. E. Hansen Pontiac Head

Donald E. Hansen has been elected president of Pontiac Assn. of Insurance Agents. Vice-president is Maynard Johnson; secretary, Charles M. Eaton.

Fidelity Course Continued

MILWAUKEE—Another section of the N.A.I.A. educational course on fidelity and surety bonds, sponsored by the Milwaukee Board and Wisconsin Assn. of Insurance Agents will start the latter part of February and continue Monday nights at the board headquarters. Leslie M. Anderson, casualty manager for Travelers, is in charge.

Reciprocal Agents Need License

LINCOLN, NEB. — Agents of reciprocals in Nebraska may be licensed, Asst. Atty. Gen. Kyle told Insurance Director Stone. There is nothing in the statutes that excepts reciprocals from the license requirement, he said.

Grube Heads Sheboygan Group

SHEBOYGAN, WIS. — Lester E. Grube was elected president of the Sheboygan County Insurance Agents Assn.

at the annual meeting to succeed Frank R. Bersch. Others named were Carl Behnke, vice-president; Roman Wagner, secretary and treasurer, and Adolph Heisdorf, director. The county organization is composed primarily of mutual agents.

Fire Chief Superior Speaker

SUPERIOR, WIS.—Fire Chief Ole Sorenson was speaker at a meeting of the Superior Board, discussing a proposed fire code ordinance and a campaign to reduce fire hazards in homes.

NEWS BRIEFS

Arson cases were discussed by John Hassler, deputy state fire marshal at Wausau, before the Central Wisconsin Adjusters Assn.

Frank E. Jones, secretary Ripon Farmers Mutual Fire, Brandon, Wis., sustained a fractured hip in a fall on a sidewalk.

Harry Pratt, Sioux City, Ia., local agent, has been renominated for president of Associated Hospitals Service (Blue Cross).

Leo M. Hassenger of Hassenger Bros. agency has been chosen head of Sioux City Symphony Assn. He has previously served as treasurer.

Robert S. Andrews of Sioux City, past president of Iowa Assn. of Insurance Agents, has been dismissed from St. Joseph's Hospital after a month's illness. It will be some weeks before he will again be active in his agency. J. Watt Wooldridge is supervising the survey of the city's insurance during Mr. Andrews' illness.

The Innis Corp. has moved to new offices at 1003 Walnut building, Kansas City.

Frank N. Jacks, district supervisor for Underwriters Adjusting, gave a talk at the dinner meeting of Assn. of Insurance Women of Greater Kansas City. At the Feb. 16 meeting, Miss Helen Tempelman will give a travel talk.

COAST

California Regional Meetings to Get Started Feb. 2

SAN FRANCISCO—The spring series of regional meetings of the California Association of Insurance Agents gets started in northern and southern California Feb. 2. The meetings in central California start Feb. 9.

In the north the state officers attending and conducting the meetings will be A. E. Shepperd, San Jose, vice-president, and W. F. Williams, assistant executive secretary. The southern meetings will be handled by W. B. Glassick, Los Angeles, president, and Executive Secretary E. E. Hayden. The central meetings starting Feb. 9 will be conducted by Harold Barnhart, Visalia, secretary-treasurer, and Mr. Hayden.

The association reports that its membership reached 1,910 agencies in December. It is expected that at least 100 more will be added before the 1948 convention, which will be held at San Francisco Oct. 25-27 with headquarters in the Fairmont Hotel.

Committee chairmen have been announced by President Glassick as follows: Accident prevention, Neil Greene, Sebastopol; adherence, G. C. Appleton, Fresno; Associated Insurance Producers representatives, C. M. Putnam, Oakland; bank and agent auto plan, James Holesapple, Los Angeles; Bulletin control, K. G. White, Oakland; conference, C. M. Putnam; education, Robert J. White, Los Angeles; farm and rural agents, C. W. Carpenter, Petaluma; finance, Ray Laughrey, Oakland; fire prevention, Myrl Ott, Long Beach; legislative, H. H. Hendren, Sacramento, and

Harry Perk Jr., Los Angeles, co-chairmen; membership, A. E. Shepperd, San Jose; National Automobile Club, Ray Laughrey; public relations, Harold McGee, Los Angeles; research, Ivan Rankin, Oakland.

Organize at Palo Alto

A new local agents' association, affiliated with the state and National associations, has been organized at Palo Alto, Cal., with Burt H. Jayne, president, and William A. Mudgett, secretary. Previously there were only three agencies in Palo Alto holding membership in the state association.

Cal. Local Boards Elect

REDWOOD CITY—California local associations which have just elected officers include: Myron E. Harman, president; Harry T. Walden, vice-president, Teddy Lauman, secretary.

Santa Cruz: E. L. Anderson, president; J. T. Nittler, secretary.

Solano County—W. J. Corbett, president; G. W. Hewitt, vice-president and Thos. McGuinness, secretary, all of Vallejo.

New N.A.I.A. Film Shown

Denver Assn. of Insurance Agents met Jan. 23 with Vice-president Peter Walsh presiding in the absence of William D. Sanborn, president, who is en route to South America. The highlight of the meeting was the showing of the new N.A.I.A. film, "Your Best Policy."

Hastings Transfers to S. F.

Robert H. Hastings has been appointed manager at San Francisco for Republic of Texas. For two years he has been manager at Seattle and before that was with the Pacific department at Los Angeles for 18 years.

Course in Marin County

Marin County (Cal.) Assn. of Insurance Agents has started an N.A.I.A. introductory course at the Marin Junior College with the assistance and cooperation of the school department. Classes will be under the supervision of Walter Carter, with Roy A. Wilkie, Ivor J. Davies and Harold Muller handling special sections.

Leonard Elected at Spokane

E. M. Leonard, Nevres & Leonard agency, was elected president of the Spokane Insurance Assn. at the annual meeting last week. He succeeds A. S. Brown of Jones & Mitchell. Other officers elected were: Tod Oien, vice-president; and T. J. Meenach, Jr., re-elected secretary-treasurer.

National Union Moves Feb. 1

The Pacific department of National Union which has been quartered with Providence-Washington, is being set up at 206 Sansome street, San Francisco, Feb. 1.

To Hold Educational Meetings

Plans are under way for the staging of a series of fire insurance educational meetings for local agents in western and central Washington some time in May, it was announced by Harold B. Murray, Aetna Fire, chairman of the educational committee of the Washington Fire Underwriters Assn.

Tentative plans call for sessions at Bellingham, Everett, Tacoma, Olympia, Centralia-Chehalis, Grays Harbor, Longview, Vancouver, Bremerton, Port Angeles, Yakima and Ellensburg.

Move from Downtown Area

Stuart G. Thompson-Elwell Co., Seattle general agents, will be settled in their new home office location Feb. 1. The new address will be 2909 Third avenue. The general agency will occupy the entire second floor and penthouse of a new building.

Several other insurance offices are moving to the new location also. The Thompson-Elwell move is being watched with considerable interest as it represents the first move out of the downtown district by a major insurance office since the General America companies moved to the university district a number of years ago.

NEWS BRIEFS

Los Angeles City College will soon institute an insurance course in its law school.

Fred A. Moreton, Salt Lake City, former N.A.I.A. president, has been elected a director of Utah Fire Clay Co.

Francis B. Goeltz of the George W. Peck Co., Salt Lake City, vice-president Utah Assn. of Insurance Agents, has been elected president of the University Club there.

Oakland Assn. of Insurance Agents has created a junior membership for those in business less than two years.

Marshall & Stevens, insurance appraisers, who have for several years been located at 369 Pine street, are moving their offices to 415 Galen building, San Francisco, where they will have larger quarters.

A meeting of the executive committee of the Oregon Assn. of Insurance Agents has been called for Feb. 13, at Portland. Past presidents of the association have been invited to attend.

Edward M. Terry has joined the Seattle office of W. B. Brandt & Co.

E. A. McMillan, adjuster for nine years, has opened McMillan Claim Service at Greeley, Colo., to service Colorado and Wyoming.

Insurance Women of Los Angeles will be host at the region 6 meeting of National Assn. of Insurance Women in Los Angeles March 20-21. Having completed their course on burglary insurance, they will give Feb. 2 and 9 to life insurance and Feb. 16 to accident and health.

EAST

Congressman Ploeser Is Phila. Headliner

Congressman Walter C. Ploeser, who in private life is president of the Ploeser, Watts & Co. agency, and of Marine Underwriters Corp. of St. Louis, will be the speaker at the annual banquet of Insurance Society of Philadelphia, Feb. 9.

N. J. Mid-Year at Trenton

The mid-year meeting of New Jersey Assn. of Insurance Agents will be held at Hotel Hildebrecht, Trenton, March 18.

To Hear Labor Commissioner

A dinner meeting of Hudson County Assn. of Insurance Agents will be held at Hoboken, N. J., Feb. 19. Labor Commissioner Harry Harper of New Jersey will speak.

NEWS BRIEFS

President Alfred C. Sinn of New Jersey Assn. of Insurance Agents has been requested by the president of the New Jersey Assn. of Real Estate Boards to sit in an advisory capacity with its executive committee. Mr. Sinn believes a closer relationship between the two organizations would be mutually beneficial.

To provide for expansion Utica Mutual has leased the three upper floors of the Home Dairy building, Utica. It will provide 10,000 square feet of floor space within two blocks from the com-

pany's main offices in the First National Bank building.

W. Baldwin Droms has opened a local agency at 152 Barrett street, Schenectady, N. Y.

Henry M. Naylor, who has operated his own insurance business for two years, has merged it with that of his father and becomes secretary-treasurer of Maurice L. Naylor, Inc., Buffalo.

Thomas E. Davis, superintendent of the stamping department of Maryland Fire Underwriters Rating Bureau, addressed a luncheon meeting of Insurance Club of Washington on the general application of the Maryland rate increase and the problems incidental thereto.

SOUTH

Finds Cotton Industry Is Winning Fire Safety Fight

ATLANTA—The cotton industry is winning its right to reduce gin and warehouse fire losses, which two seasons ago reached an all-time peak, Claude L. Welch of Memphis, director National Cotton Council's production and marketing division, told delegates at the annual meeting here.

In the 1945-46 season, fire losses totaled \$12 million, he said, and cotton representing the production of about 200,000 acres was destroyed or damaged. Gin property valued at \$1 million was destroyed and 500 cotton warehouses were destroyed or damaged.

Mr. Welch reported that in the 1946-47 season more careful observance of fire prevention practices cut the number of bales involved in gin and warehouse fires to 26,000. There were 20% fewer fires and 71% less cotton was destroyed. He said 55% of the fires were traced to fire packed bales. The total loss for the season was estimated at \$4,500,000.

When the industry-wide fire prevention campaign was initiated in 1946, annual losses had reached such a point that some companies were about ready to refuse insurance to ginners and warehousemen.

Part Public Can Play in Setting Rates Is Told

JACKSON, TENN.—"The public should be told that it can have a part in offsetting premium rate increases by precautions that reduce the number of fires and accidents," George M. Egbert, president Tennessee Fire Underwriters Assn. told a joint public relations meeting here Friday sponsored by the field men's organization and Tennessee Assn. of Insurance Agents. Other meetings will be held to which the public will be invited. The agents were represented by President T. K. Robinson, Memphis, and Manager George Goss, Nashville.

Greensboro Exchange Elects

Greensboro Insurance Exchange has changed its name to the Greensboro Assn. of Insurance Agents and installed new officers headed by Albert F. Stevens, Jr., who was reelected president. R. S. Baylor is vice-president and P. R. Carlton, Jr., secretary.

Maurice G. Herndon, assistant Washington representative of N.A.I.A., gave a talk. F. C. Kenzie, Spindale, president, and S. G. Ostot, Raleigh, executive secretary, North Carolina Assn. and officers of local insurance companies were guests.

New Augusta Survey Asked

AUGUSTA, GA.—The Augusta Board has been asked by the new city manager to make another survey of the city's properties. The board made its last survey in 1940 and while City Manager Roark has familiarized himself with that report he asserts that a new survey is now needed and that in the future one should be made every five years. All insurance on city property is pro-rated among all agents doing business in the city.

Wood Is Waco President

Harry A. Wood, Jr., has been elected president of the Insurance Exchange of Waco, Tex. He will assist Champe Fitzhugh, Waco, vice-president Texas Assn. of Insurance Agents, who is preparing for the golden anniversary convention of the Texas association there May 21-22.

Brown New Exchange Head

WINSTON-SALEM, N. C.—W. N. Brown has been elected president of the Insurance Exchange here, succeeding J. Theron Long. E. L. Cox is vice-president; Thomas Follin, reelected secretary.

Johnson Heads Macon Assn.

J. Lamar Johnson is the new president of the Macon Assn. of Insurance Agents. C. C. Harrold is vice-president, and Mrs. Marguerite L. Jackson is secretary-treasurer.

Louisville F. & M. in Miss.

Louisville Fire & Marine has entered Mississippi and is to be represented by the general agency of Harry D. Maddox, Jackson.

Establish San Angelo Branch

Hopson, Ethridge & Cowan Claim Service of Amarillo, Tex., has established a branch in San Angelo, Tex., through the purchase of the Texas-Southwestern Adjustment Co. Steve Cowan is in charge assisted by Jack Crabtree.

William C. Jones, Jr., has opened a local agency at Myrtle Beach, S. C., for all lines. Mr. Jones since the war has been with American Indemnity as field supervisor for North and South Carolina. Before entering the army he was in the local agency business at High Point, N. C.

Charles E. Bryon, Nashville local agent, has been elected president of "Southern Horseman, Inc.," a trade journal.

Ralph Neely of the F. Wiley Ball agency, Oklahoma City, was named "Outstanding Young Man of 1947" by the Junior Chamber of Commerce. He is a graduate of University of Texas who went to Oklahoma City in 1937.

Cal. Commissioner Balks at Stamping Bureau Idea

LOS ANGELES—Pacific Rating Bureau, which recently made application for licensing as a rating organization under the new California rate regulatory law, has had some of its organization requirements questioned by the department. Its requirements for membership and subscribership and the establishment of a stamping bureau are some of the points on which the bureau and department officials do not see eye to eye.

"It's Murder!" Says Post of Automobile Death Toll

An article in the Jan. 24 issue of the Saturday Evening Post by J. D. Ratcliff entitled "It's Murder!" describes the automobile accident problem in this country and shows that certain sections of highway in Gary, Ind., have the worst record on the North American continent.

Well illustrated with photographs the article describes the results of a series of accidents in that area.

Among the reasons for the great number of accidents are high traffic density, too few traffic police, lax law enforcement, and large liquor consumption. Motor vehicle injuries and deaths have risen to a point where they represent a major national sickness, according to the article. When asked what he thought was the reason for the number of accidents a taxi-driver in the city said "because a lot of chowderheads have driv-

ers' licenses who shouldn't be licensed to drive a wheelbarrow."

It concludes by saying that "Bombarding the public with gruesome statistics won't help. A closer view of the dead and dying may."

Wade Martin High Man But Faces Run Off in La.

NEW ORLEANS—Wade O. Martin, Jr., running for reelection as secretary of state and ex-officio insurance commissioner on the Earl K. Long ticket, was high man in a four cornered race. Grady C. Durham, Sam Jones ticket, was second, in the Democratic primary. As a result Martin and Durham will be in the second primary which takes place Feb. 24.

Laurence Eustis, New Orleans local agent, was elected to the house of representatives in the first primary. Ted Hickey of Godchaux & Mayer, New Orleans, and Wm. Haggerty, insurance man, will be in the second primary for house seats from the respective wards.

M. W. Morron, 63, Aetna Executive, Dies Suddenly

HARTFORD—Martin W. Morron, 63, vice-president of the Aetna fire group and a marine insurance expert, died unexpectedly at Hartford hospital. He had been at the office Friday. He was stricken at his home Saturday night, and taken immediately to the hospital. He had been with Aetna Fire since 1902, an officer for the past 27 years and vice-president since 1943. He had specialized in marine insurance since 1912. He was made marine assistant secretary in 1921, marine secretary in 1924, and had charge of the ocean marine department from 1926 until his election as vice-president.

Wis. Non-Resident Rule Clarified by Atty-Gen.

Some light is seen in the tangle on licensing of non-resident agents in Wisconsin.

Pending a final ruling by Commissioner Duell, a new ruling by the Wisconsin attorney-general's office declared that a license should be issued to an Illinois agent even though that agent is a broker in Illinois at the time of application. The agent must, however, be an agent for the same company in his home state.

The previous opinion had been that if a non-resident is licensed both as an agent and broker, he does not qualify in Wisconsin on the theory that as a broker he represents the assured.

May Revise Contingents

Considerable interest is being shown in the idea of revising the contingent commission contract for agents in expected cities and, if possible, to get the contract on a uniform basis both for the east and west. It is reported that there has been considerable progress made in this direction. One idea that is being examined is to hinge the contingent on a three year span rather than on just a single year, and it seems certain that the allowance, at least for home office overhead, will be increased.

Louise Marie McCormack, daughter of A. L. McCormack, head of the Public Insurance Agency, St. Louis, was married to Churchill C. Condie, son of Herbert D. Condie of W. A. O'Connor & Co.

O.K. Short Rate Tables

NEWARK—The Fire Insurance Rating Organization of New Jersey has approved the short rate tables developed by committees representing fire, casualty, inland marine and automobile insurance interests, and has forwarded new manual sheets to its subscribers.

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ANOTHER TRAFFIC DEATH AND TWO WRECKED CARS BECAUSE SOMEONE TOOK A CHANCE!

More than 98% of all automobile fatalities
need never have occurred. Less speed and
more care would have prevented this one.



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Western Department
120 So. LaSalle St.
Chicago 3, Illinois

Foreign Department
111 John St., New York 7, New York
206 Sansome St., San Francisco 4, Calif.

Canadian Departments
535 Homer St., Vancouver, B. C.
445 Bay St., Toronto, Ontario

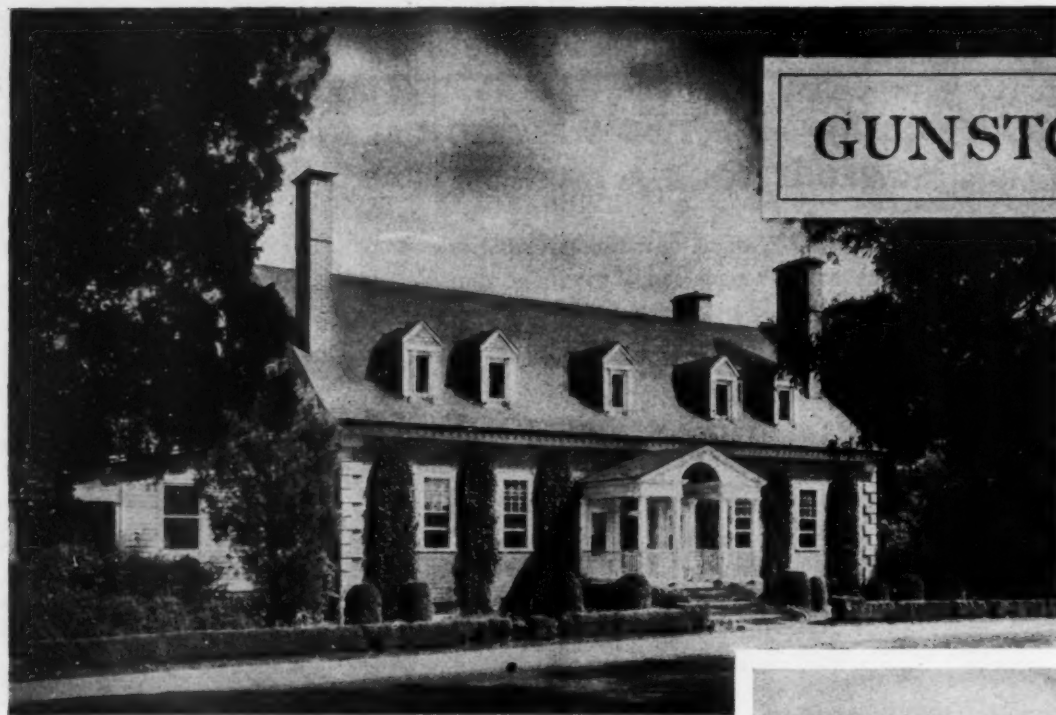
Southwestern Dept.
912 Commerce St.
Dallas 2, Texas

Pacific Department
220 Bush St.
San Francisco 6, Calif.

Firemen's Insurance Company of Newark, N. J.
Organized 1833
The Girard Fire & Marine Insurance Company
Organized 1833
National-Ben Franklin Fire Insurance Company
Organized 1866
The Concordia Fire Insurance Co. of Milwaukee
Organized 1870

Milwaukee Mechanics' Insurance Company
Organized 1832
Royal Plate Glass & General Ins. Co. of Canada
Organized 1906
The Metropolitan Casualty Insurance Co. of N.Y.
Organized 1874
Commercial Casualty Insurance Company
Organized 1909

Pittsburgh Underwriters - Keystone Underwriters



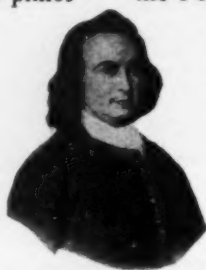
GUNSTON HALL

*"The rights
of the people
to be secure"*



Formal garden and 192-year-old boxwood hedge

FRAMED over the fireplace in the library of Gunston Hall are these famous words expressing the dignity of man, "The rights of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated . . ." In this notable room the fourth George Mason, statesman, constitutionalist, and philosopher penned these phrases for the Virginia Bill of Rights, which later became the basis for the first ten amendments to the Constitution of the United States. Here also he is said to have helped his colleague, Thomas Jefferson, write the first draft of the Declaration of Independence.



George Mason

For his newly won bride, Ann Eilbeck, Mason employed a famed English architect to build this colonial mansion of unrivaled beauty overlooking the banks of the Potomac in Fairfax County, Virginia. Upon its completion in 1758, he set about to develop the estate of 7000 acres into an almost self-sufficient plantation with its own blacksmiths, carpenters, coopers, weavers and tanners.

Celebrated guests frequently visited Gunston Hall, including Lafayette and neighbor George Washington who "often rowed down from Mount Vernon in a 4-oared gig . . . to visit his friend or take Sunday supper with him."

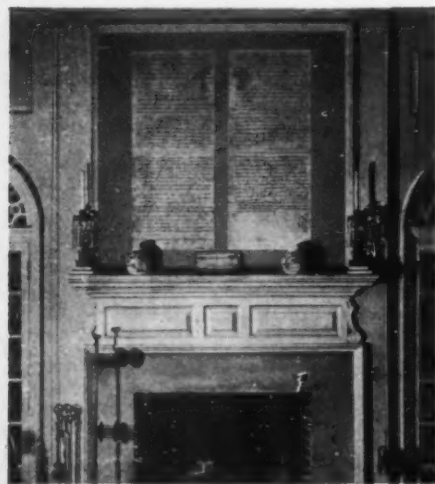
Failing health forced Mason to spend his later years in retirement but he was a constant source of counsel on questions of law and government. At a time when it was considered treason even to speak ill of the King, he became a champion of democracy and one of the first to speak out against slavery.

In 1792 this man whom Jefferson called "the wisest man of his generation" was buried on the grounds of his Gunston

Hall. Mason had been a genial, cultivated, well-read gentleman whose descendants were to include early governors of Michigan and California.

The Gunston estate gradually deteriorated after ownership passed from the Mason family in the 1860's. Reduced to a lumber camp in 1912, it was rescued by its present owner who spent thirty years and a medium-sized fortune to restore it to its former splendor. Although now privately owned, it will eventually pass to the State of Virginia under the custody of the Colonial Dames of America.

The Home, through its agents and brokers, is America's leading insurance protector of American Homes and the Homes of American Industry.



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